

CHAPTER 287—H.F.No. 2685

An act relating to transportation; making appropriations; authorizing the sale and issuance of state bonds; modifying provisions governing transportation and public safety policies, including bicycles and bikeways, highways and bridges, motor vehicles, motor vehicle markings and equipment, traffic regulations, driver education, driver licensing, driver's license exemptions, DWI violations, alternative financing for transportation projects, contracting requirements, bus operations, railroads, motor carriers and commercial drivers, aeronautics and airports, state aid, traffic regulations and reports, vehicle titles, school buses, overweight vehicles, fuel tax and motor vehicle sales tax exemptions, and agency reporting and studies; providing for rulemaking; removing obsolete language; making technical and clarifying changes; repealing certain provisions; amending Minnesota Statutes 2010, sections 85.015, by adding a subdivision; 85.018, subdivisions 2, 4; 160.263, subdivision 2; 161.14, subdivision 66, by adding subdivisions; 161.3212; 162.02, subdivisions 2, 3; 162.081, subdivision 4; 162.09, subdivisions 2, 3, 4; 162.13, subdivision 1; 162.155; 165.01; 165.03; 168.002, subdivisions 19, 20; 168.012, subdivision 1, by adding a subdivision; 168.013, subdivisions 1e, 3, 12, by adding a subdivision; 168A.03, subdivision 1; 168A.07, subdivision 1; 168B.011, subdivision 12; 169.011, subdivisions 4, 27, 44, 45; 169.035, subdivision 1, by adding a subdivision; 169.06, subdivisions 4, 5, 7; 169.09, subdivision 13; 169.19, subdivision 5; 169.222, subdivisions 4, 6, 7, by adding a subdivision; 169.223, subdivisions 1, 5; 169.306; 169.64, subdivision 2; 169.685, subdivisions 6, 7; 169.72, subdivision 1; 169.85, subdivision 2; 169.86, subdivisions 1, 4, by adding a subdivision; 169.865, subdivision 4; 169.872, subdivision 1a; 169.98, subdivisions 1, 3; 169.99, subdivision 1b; 169A.54, subdivisions 1, 6; 171.01, subdivision 41; 171.03; 171.061, subdivision 4; 171.12, subdivision 6; 171.30, subdivision 1; 171.306, subdivision 4; 174.02, by adding a subdivision; 174.03, by adding a subdivision; 174.56; 221.0314, subdivision 3a; 221.091, subdivision 2; 222.50, subdivision 4; 222.51; 222.53; 222.63, subdivision 9; 296A.07, subdivision 4; 296A.08, subdivision 3; 297A.68, subdivision 19; 299D.085, subdivision 2, by adding a subdivision; 299D.09; 473.39, by adding a subdivision; 574.26, subdivisions 1a, 2; Minnesota Statutes 2011 Supplement, sections 168.12, subdivision 5; 168.123, subdivision 1; 169.86, subdivision 5; 171.075, subdivision 1; 297B.03; Laws 2009, chapter 158, section 10; proposing coding for new law in Minnesota Statutes, chapters 160; 161; 171; 174; repealing Minnesota Statutes 2010, sections 161.08, subdivision 2; 168.012, subdivision 1b; 169A.54, subdivision 5; 222.48, subdivision 3a; Minnesota Rules, parts 8810.9000; 8810.9100; 8810.9200; 8810.9300; 8810.9400; 8810.9500; 8810.9600; 8810.9700.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

ARTICLE 1

TRUNK HIGHWAY FUND APPROPRIATIONS

Section 1. <u>TRUNK HIGHWAY APPROPRIATIONS</u>	<u>\$ 17,530,000</u>
Subdivision 1. <u>Appropriations for Transportation</u>	
<u>These appropriations are to the commissioner of transportation for the purposes specified in this section.</u>	
<u>Unless otherwise specified, these appropriations are for fiscal year 2013 from the trunk highway fund and are available until expended.</u>	
Subd. 2. <u>Willmar District Headquarters</u>	<u>7,500,000</u>
<u>To design, construct, furnish, and equip a maintenance facility addition to the existing Willmar district headquarters building, and corresponding remodeling of the headquarters building.</u>	
Subd. 3. <u>Plymouth Truck Station</u>	<u>5,600,000</u>
<u>To construct and equip a new truck station and bridge crew building in Plymouth.</u>	
Subd. 4. <u>Cambridge Truck Station</u>	<u>3,300,000</u>
<u>To design, construct, furnish, and equip a new truck station facility in Cambridge, including ancillary buildings and site improvements.</u>	
Subd. 5. <u>Crookston, Eden Prairie, and Mendota Truck Station Design</u>	<u>1,100,000</u>
<u>To design new additions to the existing truck station buildings in Crookston, Eden Prairie, and Mendota.</u>	
Subd. 6. <u>Overweight Motor Vehicle Registration Collection</u>	<u>30,000</u>
<u>To modify Department of Transportation permit system to allow the department</u>	

to collect additional registration taxes for overweight motor vehicles.

This appropriation is only available if legislation is enacted in the 2012 legislative session authorizing the commissioner to collect a surcharge or additional registration tax on motor vehicles.

Sec. 2. **EFFECTIVE DATE.**

This article is effective the day following final enactment.

ARTICLE 2

TRUNK HIGHWAY BONDS

Section 1. **ROCHESTER MAINTENANCE FACILITY.**

\$16,100,000 is appropriated to the commissioner of transportation to design, construct, furnish, and equip the maintenance facility in Rochester and corresponding remodeling of the existing district headquarters building. This appropriation is from the bond proceeds account in the trunk highway fund.

Sec. 2. **BOND SALE EXPENSES.**

\$20,000 is appropriated from the bond proceeds account in the trunk highway fund to the commissioner of management and budget for bond sale expenses under Minnesota Statutes, section 167.50, subdivision 4.

Sec. 3. **TRUNK HIGHWAY FUND BOND PROCEEDS ACCOUNT.**

To provide the money appropriated in this article from the bond proceeds account in the trunk highway fund, the commissioner of management and budget shall sell and issue bonds of the state in an amount up to \$16,120,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 167.50 to 167.52, and by the Minnesota Constitution, article XIV, section 11, at the times and in the amounts requested by the commissioner of transportation. The proceeds of the bonds, except accrued interest and any premium received from the sale of the bonds, must be credited to the bond proceeds account in the trunk highway fund.

Sec. 4. **EFFECTIVE DATE.**

This article is effective the day following final enactment.

ARTICLE 3

TRANSPORTATION POLICY

Section 1. Minnesota Statutes 2010, section 161.14, is amended by adding a subdivision to read:

Subd. 70. **Black and Yellow Trail.** Trunk Highway signed 14 as of the effective date of this section, from the border with South Dakota to the border with Wisconsin, is

designated as the "Black and Yellow Trail." The commissioner shall adopt a suitable design to mark this highway and erect appropriate signs, subject to section 161.139.

Sec. 2. **[161.3207] CONSTRUCTION MANAGER/GENERAL CONTRACTOR CONTRACTS; DEFINITIONS.**

Subdivision 1. **Scope.** The terms used in sections 161.3207 to 161.3209 have the meanings given them in this section.

Subd. 2. **Acceptance.** "Acceptance" means an action of the commissioner authorizing the execution of a construction manager/general contractor contract.

Subd. 3. **Commissioner.** "Commissioner" means the commissioner of transportation.

Subd. 4. **Construction manager/general contractor.** "Construction manager/general contractor" means a proprietorship, partnership, limited liability partnership, joint venture, corporation, any type of limited liability company, professional corporation, or any legal entity selected by the commissioner to act as a construction manager to manage the construction process, which includes, but is not limited to, responsibility for the price, schedule, and execution of preconstruction services or the workmanship of construction performed according to section 161.3209, or both.

Subd. 5. **Construction manager/general contractor contract.** "Construction manager/general contractor contract" means a contract for construction of a project between a construction manager/general contractor and the commissioner, which must include terms providing for a price, construction schedule, and workmanship of the construction performed. The construction manager/general contractor contract may include provisions for incremental price contracts for specific work packages, additional work performed, contingencies, or other contract provisions that will allow the commissioner to negotiate time and cost changes to the contract.

Subd. 6. **Past performance; experience.** "Past performance" or "experience" does not include the exercise or assertion of a person's legal rights.

Subd. 7. **Preconstruction services.** "Preconstruction services" means all non-construction-related services that a construction manager/general contractor is allowed to perform before execution of a construction manager/general contractor contract or work package.

Subd. 8. **Preconstruction services contract.** "Preconstruction services contract" means a contract under which a construction manager/general contractor is paid on the basis of the actual cost to perform the work specified in the contract plus an amount for overhead and profit for all preconstruction services.

Subd. 9. **Project.** "Project" means any project selected by the commissioner as a construction manager/general contractor project under section 161.3208.

Subd. 10. **Request for proposals; RFP.** "Request for proposals" or "RFP" means the document or publication soliciting proposals for a construction manager/general contractor contract.

Subd. 11. **Request for qualifications; RFQ.** "Request for qualifications" or "RFQ" means a document or publication used to prequalify and short-list potential construction managers/general contractors.

Subd. 12. **Work package.** "Work package" means the scope of work for a defined portion of a project. A defined portion includes construction services on any project aspect, including procuring materials or services.

EFFECTIVE DATE. This section is effective the day following final enactment and expires one year following the acceptance of ten construction manager/general contractor contracts.

Sec. 3. **[161.3208] CONSTRUCTION MANAGER/GENERAL CONTRACTOR; AUTHORITY.**

Subdivision 1. **Selection authority; limitation.** Notwithstanding sections 16C.25, 161.32, and 161.321, or any other law to the contrary, the commissioner may select a construction manager/general contractor as provided in section 161.3209, and award a construction manager/general contractor contract. The number of awarded contracts shall not exceed four in any calendar year.

Subd. 2. **Determination.** Final determination to use a construction manager/general contractor contracting procedure may be made only by the commissioner.

Subd. 3. **Cancellation.** The solicitation of construction manager/general contractor requests for qualifications or proposals does not obligate the commissioner to enter into a construction manager/general contractor contract. The commissioner may accept or reject any or all responses received as a result of the request. The solicitation of proposals may be canceled at any time at the commissioner's sole discretion if cancellation is considered to be in the state's best interest. If the commissioner rejects all responses or cancels the solicitation for proposals, the commissioner may resolicit a request for proposals using the same or different requirements.

Subd. 4. **Reporting.** The commissioner shall notify the chairs and ranking minority members of the senate and house of representatives committees with jurisdiction over transportation policy and transportation finance each time the commissioner decides to use the construction manager/general contractor method of procurement and explain why that method was chosen.

EFFECTIVE DATE. This section is effective the day following final enactment and expires one year following the acceptance of ten construction manager/general contractor contracts.

Sec. 4. **[161.3209] CONSTRUCTION MANAGER/GENERAL CONTRACTOR; PROCEDURES.**

Subdivision 1. **Solicitation of proposals.** If the commissioner determines that a construction manager/general contractor method of procurement is appropriate for a project, the commissioner shall establish a two-phase procedure for awarding the construction manager/general contractor contract, as described in subdivisions 2 and 3.

Subd. 2. **Phase 1 - request for proposals.** (a) The commissioner shall prepare or have prepared an RFP for each construction manager/general contractor contract as provided in this section. The RFP must contain, at a minimum, the following elements:

- (1) the minimum qualifications of the construction manager/general contractor;

(2) the procedures for submitting proposals and the criteria for evaluation of qualifications and the relative weight for each criteria;

(3) the form of the contract to be awarded;

(4) the scope of intended construction work;

(5) a listing of the types of preconstruction services that will be required;

(6) an anticipated schedule for commencing and completing the project;

(7) any applicable budget limits for the project;

(8) the requirements for insurance, statutorily required performance, and payment bonds;

(9) the requirements that the construction manager/general contractor provide a letter from a surety or insurance company stating that the construction manager/general contractor is capable of obtaining a performance bond and payment bond covering the estimated contract cost;

(10) the method for how construction manager/general contractor fees for the preconstruction services contract will be negotiated;

(11) a statement that past performance or experience does not include the exercise or assertion of a person's legal rights; and

(12) any other information desired by the commissioner.

(b) Before receiving any responses to the RFP:

(1) the commissioner shall appoint a technical review committee of at least five individuals, of which one is a Department of Transportation manager who is also a licensed professional engineer in Minnesota;

(2) the technical review committee shall evaluate the construction manager/general contractor proposals according to criteria and subcriteria published in the RFP and procedures established by the commissioner. The commissioner shall, as designated in the RFP, evaluate construction manager/general contractor proposals on the basis of best value as defined in section 16C.05, or using the qualifications-based selection process set forth in section 16C.095, except that subdivision 1 of section 16C.095 shall not apply. If the commissioner does not receive at least two proposals from construction managers, the commissioner may:

(i) solicit new proposals;

(ii) revise the RFP and thereafter solicit new proposals using the revised RFP;

(iii) select another allowed procurement method; or

(iv) reject the proposals; and

(3) the technical review committee shall evaluate the responses to the request for proposals and rank the construction manager/general contractor based on the predefined criteria set forth in the RFP in accordance with paragraph (a), clause (2).

(c) Unless all proposals are rejected, the commissioner shall conduct contract negotiations for a preconstruction services contract with the construction manager/general contractor with the highest ranking. If the construction manager/general contractor with the highest ranking declines or is unable to reach an agreement, the commissioner may

begin contract negotiations with the next highest ranked construction manager/general contractor.

(d) Before issuing the RFP, the commissioner may elect to issue a request for qualifications (RFQ) and short-list the most highly qualified construction managers/general contractors. The RFQ must include the procedures for submitting statements of qualification, the criteria for evaluation of qualifications, and the relative weight for each criterion. The statements of qualifications must be evaluated by the technical review committee.

Subd. 3. **Phase 2 - construction manager/general contractor contract.** (a) Before conducting any construction-related services, the commissioner shall:

(1) conduct an independent cost estimate for the project or each work package; and

(2) conduct contract negotiations with the construction manager/general contractor to develop a construction manager/general contractor contract. This contract must include a minimum construction manager/general contractor self-performing requirement of 30 percent of the negotiated cost. Items designated in the construction manager/general contractor contract as specialty items may be subcontracted and the cost of any specialty item performed under the subcontract will be deducted from the cost before computing the amount of work required to be performed by the contractor.

(b) If the construction manager/general contractor and the commissioner are unable to negotiate a contract, the commissioner may use other contract procurement processes or may readvertise the construction manager/general contractor contract. The construction manager/general contractor may (1) bid or propose on the project if advertised under section 161.32 or 161.3206 or (2) join a design-build team if advertised under sections 161.3410 to 161.3428.

(c) The commissioner shall provide to all bidders or design-build teams, all data shared between the commissioner and the construction manager/general contractor during the contract negotiations under this subdivision.

EFFECTIVE DATE. This section is effective the day following final enactment and expires one year following the acceptance of ten construction manager/general contractor contracts.

Sec. 5. Minnesota Statutes 2010, section 161.3212, is amended to read:

161.3212 WORKING CAPITAL FUND.

The commissioner, to the extent allowed by other law or contract, may grant available money that has been appropriated for socially or economically disadvantaged business programs to a guaranty fund administered by a nonprofit organization that makes or guarantees working capital loans to ~~businesses~~ small business concerns owned and operated by socially ~~or~~ and economically disadvantaged ~~persons as defined~~ individuals. "Small business concern" and "socially and economically disadvantaged individual" have the meanings given them in Code of Federal Regulations, title 49, section ~~23.5~~ 26.5. The purpose of loans made or guaranteed by the organization must be to provide short-term working capital to enable eligible businesses to be awarded contracts for goods and services or for construction-related services from government agencies.

Money contributed from a constitutionally or statutorily dedicated fund must be used only for purposes consistent with the purposes of the dedicated fund.

Sec. 6. Minnesota Statutes 2010, section 162.02, subdivision 2, is amended to read:

Subd. 2. **Rules; advisory committee.** (a) The rules shall be made and promulgated by the commissioner acting with the advice of a committee selected by the several county boards acting through the officers of the statewide association of county commissioners. The committee shall be composed of nine members so selected that each member shall be from a different state highway construction district. Not more than five of the nine members of the committee shall be county commissioners. The remaining members shall be county highway engineers. In the event that agreement cannot be reached on any rule, the commissioner's determination shall be final. The rules shall be printed and copies forwarded to the county engineers of the several counties. ~~For the purposes of this section, the expedited process for adopting rules established in section 14.389 may be used.~~

(b) Notwithstanding section 15.059, subdivision 5, the committee does not expire.

Sec. 7. Minnesota Statutes 2010, section 162.02, subdivision 3, is amended to read:

Subd. 3. **Rules have force of law.** The rules ~~shall~~ have the force and effect of law ~~upon compliance with the provisions of sections 14.05 to 14.28 as provided in chapter 14.~~

Sec. 8. Minnesota Statutes 2010, section 162.09, subdivision 2, is amended to read:

Subd. 2. **Rules; advisory committee.** (a) The rules shall be made and promulgated by the commissioner acting with the advice of a committee selected by the governing bodies of such cities, acting through the officers of the statewide association of municipal officials. The committee shall be composed of 12 members, so selected that there shall be one member from each state highway construction district and in addition one member from each city of the first class. Not more than six members of the committee shall be elected officials of the cities. The remaining members of the committee shall be city engineers. In the event that agreement cannot be reached on any rule the commissioner's determination shall be final. The rules shall be printed and copies forwarded to the clerks and engineers of the cities. ~~For the purposes of this section, the expedited process for adopting rules established in section 14.389 may be used.~~

(b) Notwithstanding section 15.059, subdivision 5, the committee does not expire.

Sec. 9. Minnesota Statutes 2010, section 162.09, subdivision 3, is amended to read:

Subd. 3. **Rules have force of law.** The rules ~~shall~~ have the force and effect of law ~~upon compliance with the provisions of sections 14.05 to 14.28 as provided in chapter 14.~~

Sec. 10. Minnesota Statutes 2010, section 162.09, subdivision 4, is amended to read:

Subd. 4. **Federal census is conclusive.** (a) In determining whether any city has a population of 5,000 or more, the last federal census shall be conclusive, except as otherwise provided in this subdivision.

(b) The governing body of a city may contract with the United States Bureau of the Census to take a special census. A certified copy of the results of the census shall be filed with the appropriate state authorities by the city. The result of the census shall be the population of the city for the purposes of any law providing that population is a required qualification for distribution of highway aids under chapter 162. The special census shall remain in effect until the next federal census is completed and filed. The expense of taking the special census shall be paid by the city.

(c) If an entire area not heretofore incorporated as a city is incorporated as such during the interval between federal censuses, its population shall be determined by its incorporation census. The incorporation census shall be determinative of the population of the city only until the next federal census.

(d) The population of a city created by the consolidation of two or more previously incorporated cities shall be determined by the most recent population estimate of the Metropolitan Council or state demographer, until the first federal decennial census or special census taken after the consolidation.

(e) The population of a city that is not receiving a municipal state-aid street fund apportionment shall be determined, upon request of the city, by the most recent population estimate of the Metropolitan Council or state demographer. A municipal state-aid street fund apportionment received by the city must be based on this population estimate until the next federal decennial census or special census.

(f) A city that is found in the most recent federal decennial census to have a population of less than 5,000 is deemed for the purposes of this chapter and the Minnesota Constitution, article XIV, to have a population of 5,000 or more under the following circumstances: (1) immediately before the most recent federal decennial census, the city was receiving municipal state-aid street fund distributions; and (2) the population of the city was found in the most recent federal decennial census to be less than 5,000. Following the end of the first calendar year that ends in "5" after the decennial census and until the next decennial census, the population of any city must be determined under paragraphs (a) to (e).

EFFECTIVE DATE. This section is effective July 1, 2012.

Sec. 11. Minnesota Statutes 2010, section 162.13, subdivision 1, is amended to read:

Subdivision 1. **Factors in formula.** After deducting for administrative costs and for the disaster fund and research account as heretofore provided, and for any allocation made under section 162.125, the remainder of the total sum provided for in subdivision 1 of section 162.12 shall be identified as the apportionment sum, and shall be apportioned by the commissioner to the cities having a population of 5,000 or more, in accordance with the following formula:

(1) An amount equal to 50 percent of such apportionment sum shall be apportioned among the cities having a population of 5,000 or more so that each such city shall receive of such amount the percentage that its money needs bears to the total money needs of all such cities.

(2) An amount equal to 50 percent of such apportionment sum shall be apportioned among the cities having a population of 5,000 or more so that each such city shall receive of such amount the percentage that its population bears to the total population of all such cities. For purposes of this subdivision, the population of a city is the greater of 5,000 or the number calculated under section 162.09, subdivision 4, paragraph (a), (b), (c), (d), or (e).

EFFECTIVE DATE. This section is effective July 1, 2012.

Sec. 12. Minnesota Statutes 2010, section 162.155, is amended to read:

162.155 RULES FOR VARIANCES RULEMAKING.

~~(a) The commissioner shall adopt rules, no later than January 1, 1980, in accordance with sections 15.041 to 15.052, setting forth the criteria to be considered by the commissioner in evaluating requests for variances under sections 162.02, subdivision 3a and 162.09, subdivision 3a. The rules ~~shall~~ must include, but are not limited to, economic, engineering and safety guidelines.~~

~~(b) The commissioner shall adopt rules establishing the engineering standards adopted pursuant to section ~~for cost estimation under sections~~ 162.07, subdivision 2, ~~or~~ and 162.13, subdivision 2, shall be adopted pursuant to the requirements of chapter 15 by July 1, 1980.~~

~~(c) The rules adopted by the commissioner under this section, and sections 162.02; 162.07, subdivision 2; 162.09; and 162.13, subdivision 2, are exempt from the rulemaking provisions of chapter 14. The rules are subject to section 14.386, except that, notwithstanding paragraph (b) of that section, the rules continue in effect until repealed or superseded by other law or rule.~~

Sec. 13. Minnesota Statutes 2010, section 165.01, is amended to read:

165.01 DEFINITIONS.

Subdivision 1. **Scope.** For the purposes of this chapter, the terms defined in this section and section 160.02 have the meanings given them.

Subd. 2. **AASHTO manual.** ~~"AASHTO manual" means the Manual for Condition Evaluation of Bridges, published by the American Association of State Highway and Transportation Officials.~~ "The Manual for Bridge Evaluation," published by the American Association of State Highway and Transportation Officials, is incorporated by reference.

Subd. 3. **Bridge.** "Bridge" is defined as a structure, including supports erected over a depression or an obstruction, such as water, a highway, or a railway, having a track or passageway for carrying traffic or other moving loads, and having an opening measured horizontally along the center of the roadway of ten feet or more between undercopings of abutments, between the spring line of arches, or between the extreme ends of openings for multiple boxes. Bridge also includes multiple pipes where the clear distance between openings is less than one-half of the smaller contiguous opening. This definition of a bridge includes only those railroad and pedestrian bridges over a public highway or street.

Subd. 4. **National Bridge Inspection Standards (NBIS).** "NBIS" means standards established by the Federal Highway Administration in Code of Federal Regulations, title 23, part 650, subpart C, incorporated by reference.

Sec. 14. Minnesota Statutes 2010, section 165.03, is amended to read:

165.03 STRENGTH OF BRIDGE; INSPECTION.

Subdivision 1. **Standards generally.** Each bridge, including a privately owned bridge, must conform to the strength, width, clearance, and safety standards imposed by the commissioner for the connecting highway or street. This subdivision applies to a bridge that is constructed after August 1, 1989, on any public highway or street. The bridge must have sufficient strength to support with safety the maximum vehicle weights allowed under sections 169.822 to 169.829 and must have the minimum width specified in section 165.04, subdivision 3.

Subd. 1a. **Inspection.** (a) Each bridge must be inspected annually, unless a longer interval not to exceed ~~two years~~ 24 months for bridges or ~~four years~~ 48 months for bridges classified as culverts is authorized by the commissioner. The commissioner's authorization must be based on factors including, but not limited to, the age and condition of the bridge, the rate of deterioration of the bridge, the type of structure, the susceptibility of the bridge to failure, and the characteristics of traffic on the bridge. The commissioner may require interim inspections at intervals of less than one year on bridges that are posted, bridges subjected to extreme scour conditions, bridges subject to significant substructure movement or settlement, and for other reasons as specified or inferred in the AASHTO manual.

(b) Additional requirements apply to structures meeting the NBIS definition of a bridge:

(1) Underwater structural elements must be inspected at regular intervals not to exceed 60 months. The commissioner may require inspections at intervals of less than 60 months on certain underwater structural elements based on factors including, but not limited to, construction material, environment, age, scour characteristics, the condition ratings from past inspections, and any known deficiencies.

(2) Fracture critical members, or FCMs, must receive a hands-on fracture critical inspection at intervals not to exceed 24 months. The commissioner may require inspections at intervals of less than 24 months on certain FCMs based on factors including, but not limited to, age, traffic characteristics, and any known deficiencies.

(3) The commissioner may establish criteria to determine the level and frequency of these inspections. If warranted by special circumstances, the commissioner retains the authority to determine the inspection type and required inspection frequency for any bridge on the state inventory.

~~(b)~~ (c) The thoroughness of each inspection depends on such factors as age, traffic characteristics, state of maintenance, and known deficiencies. The evaluation of these factors is the responsibility of the engineer assigned the responsibility for inspection as defined by ~~rule adopted by~~ the commissioner of transportation.

Subd. 2. **Inspection and inventory responsibilities; rules; forms.** (a) The commissioner of transportation will adopt the National Bridge Inspection Standards (NBIS) established by the Federal Highway Administration in Code of Federal Regulations, title 23, part 650, subpart C, or its successor documents, for structures meeting the NBIS definition of a bridge. The commissioner shall establish inspection and inventory standards for structures defined as bridges by section 165.01, subdivision 3.

~~(a)~~ (b) The commissioner of transportation shall adopt official inventory and bridge inspection report forms for use in making bridge inspections by the owners or highway authorities specified by this subdivision. Inspections must be made at regular intervals, not to exceed ~~two years for bridges and not to exceed four years for culverts~~ the intervals outlined in subdivision 1a, by the following owner or official:

(1) the commissioner of transportation for all bridges located wholly or partially within or over the right-of-way of a state trunk highway;

(2) the county highway engineer for all bridges located wholly or partially within or over the right-of-way of any county or town road, or any street within a municipality that does not have a city engineer regularly employed;

(3) the city engineer for all bridges located wholly or partially within or over the right-of-way of any street located within or along municipal limits;

(4) the commissioner of transportation in case of a toll bridge that is used by the general public and that is not inspected and certified under subdivision 6; provided, that the commissioner of transportation may assess the owner for the costs of the inspection;

(5) the owner of a bridge over a public highway or street or that carries a roadway designated for public use by a public authority, if not required to be inventoried and inspected under clause (1), (2), (3), or (4).

~~(b)~~ (c) The commissioner of transportation shall prescribe the ~~standards for bridge inspection and inventory by rules~~ inspection and inventory procedures required to administer the bridge inspection program in Minnesota and has the authority to establish and publish standards that describe the inspection and inventory requirements to ensure compliance with paragraph (a). The owner or highway authority shall inspect and inventory in accordance with these standards and furnish the commissioner with such data as may be necessary to maintain a central inventory.

Subd. 3. **County inventory and inspection records and reports.** The county engineer shall maintain a complete inventory record of all bridges as set forth in subdivision 2, paragraph ~~(a)~~ (b), clause (2), with the inspection reports thereof, and shall certify annually to the commissioner, as prescribed by the commissioner, that inspections have been made at regular intervals, not to exceed ~~two years for bridges and not to exceed four years for culverts~~ the intervals outlined in subdivision 1a. A report of the inspections must be filed annually, on or before February 15 of each year, with the county auditor or town clerk, or the governing body of the municipality. The report must contain recommendations for the correction of or legal posting of load limits on any bridge or structure that is found to be understrength or unsafe.

Subd. 4. **Municipal inventory and inspection records and reports.** The city engineer shall maintain a complete inventory record of all bridges as set forth in subdivision 2, paragraph ~~(a)~~ (b), clause (3), with the inspection reports thereof, and shall certify annually to the commissioner, as prescribed by the commissioner, that inspections have been made at regular intervals, not to exceed ~~two years for bridges and not to exceed four years for culverts~~ the intervals outlined in subdivision 1a. A report of the inspections must be filed annually, on or before February 15 of each year, with the governing body of the municipality. The report must contain recommendations for the correction of or legal posting of load limits on any bridge or structure that is found to be understrength or unsafe.

Subd. 5. **Agreement.** Agreements may be made among the various units of governments, or between governmental units and qualified engineering personnel to carry out the responsibilities for the bridge inspections and reports, as established by subdivision 2.

Subd. 6. **Other bridges.** The owner of a toll bridge and the owner of a bridge described in subdivision 2, paragraph ~~(a)~~ (b), clause (5), shall certify to the commissioner, as prescribed by the commissioner, that inspections of the bridge or culvert have been made at regular intervals, not to exceed ~~two years for bridges and not to exceed four years for culverts~~ the intervals outlined in subdivision 1a. The certification must be accompanied by a report of the inspection. The report must contain recommendations for the correction of or legal posting of load limitations if the bridge is found to be understrength or unsafe.

Subd. 6a. **Bridge load rating and posting.** (a) The term "posting" means the placement of regulatory signs at a bridge indicating the safe load carrying capacity of the bridge.

(b) Each structure required to be inspected under subdivision 2, paragraph (a), must be load rated to determine its safe load carrying capacity, and this rating must be reported on a structure inventory sheet form provided by the commissioner of transportation. A structure must be rerated when it is determined that a significant change has occurred in the condition of the structure or due to additional dead load placed on the structure since the last load rating. Load ratings must be reviewed and the structure rerated if necessary when the allowable legal load using the structure is increased. Changes in the load rating of a bridge must be indicated on the structure inventory sheet form.

(c) If it is determined that the maximum legal load under state law exceeds the load permitted on the structure under the operating rating stress level assigned, the bridge must be posted. Posting signs adopted by the commissioner shall be used for the posting. The owner or highway authority shall post the bridge in accordance with the posted load assigned by the commissioner.

Subd. 7. Department of Natural Resources bridge. (a) Notwithstanding subdivision 2, the commissioners of transportation and natural resources shall negotiate a memorandum of understanding that governs the inspection of bridges owned, operated, or maintained by the commissioner of natural resources.

(b) The memorandum of understanding must provide for:

- (1) the inspection and inventory of bridges subject to federal law or regulations;
- (2) the frequency of inspection of bridges described in ~~paragraph (a)~~ subdivision 1a; and
- (3) who may perform inspections required under the memorandum of understanding.

Subd. 8. Biennial report on bridge inspection quality assurance. By February 1 of each odd-numbered year, the commissioner shall submit a report electronically to the members of the senate and house of representatives committees with jurisdiction over transportation policy and finance concerning quality assurance for bridge inspections. At a minimum, the report must:

- (1) summarize the bridge inspection quality assurance and quality control procedures used in Minnesota;
- (2) identify any substantive changes to quality assurance and quality control procedures made in the previous two years;
- (3) summarize and provide a briefing on findings from bridge inspection quality reviews performed in the previous two years;
- (4) identify actions taken and planned in response to findings from bridge inspection quality reviews performed in the previous two years;
- (5) summarize the results of any bridge inspection compliance review by the Federal Highway Administration; and
- (6) identify actions in response to the Federal Highway Administration compliance review taken by the department in order to reach full compliance.

Sec. 15. Minnesota Statutes 2010, section 168.002, subdivision 19, is amended to read:

~~Subd. 19. **Motorcycle.** "Motorcycle" means every motor vehicle having a seat or saddle for the use of the rider and designed to travel on not more than three wheels in contact with the ground, including motor scooters and bicycles with motor attached, other than those vehicles defined as motorized bicycles in subdivision 20, but excluding a tractor has the meaning given in section 169.011, subdivision 44.~~

Sec. 16. Minnesota Statutes 2010, section 168.002, subdivision 20, is amended to read:

~~Subd. 20. **Motorized bicycle.** "Motorized bicycle" means a bicycle that is propelled by an electric or a liquid fuel motor of a piston displacement capacity of 50 cubic centimeters or less, and a maximum of two brake horsepower, which is capable of a maximum speed of not more than 30 miles per hour on a flat surface with not more than one percent grade in any direction when the motor is engaged. "Motorized bicycle" includes an electric-assisted bicycle as defined in section 169.011, subdivision 27 has the meaning given in section 169.011, subdivision 45.~~

Sec. 17. Minnesota Statutes 2010, section 168.012, is amended by adding a subdivision to read:

Subd. 2d. **Electric-assisted bicycles.** Electric-assisted bicycles must not be taxed as motor vehicles using the public streets and highways, and are exempt from the provisions of this chapter.

Sec. 18. Minnesota Statutes 2010, section 168.013, is amended by adding a subdivision to read:

Subd. 22. **Optional donation for education on anatomical gifts.** As part of procedures for payment of the vehicle registration tax under this section, the commissioner shall allow a vehicle owner to add to the tax a \$2 donation for the purposes of public information and education on anatomical gifts under section 171.075, for in-person transactions conducted by a deputy registrar appointed under section 168.33, subdivision 2. This subdivision applies to annual renewal registrations only, and does not apply to registrations authorized under sections 168.053 to 168.057, 168.127, 168.187, and 168.27.

EFFECTIVE DATE. This section is effective January 1, 2013.

Sec. 19. Minnesota Statutes 2011 Supplement, section 168.12, subdivision 5, is amended to read:

Subd. 5. **Additional fee.** (a) In addition to any fee otherwise authorized or any tax otherwise imposed upon any vehicle, the payment of which is required as a condition to the issuance of any plate or plates, the commissioner shall impose the fee specified in paragraph (b) that is calculated to cover the cost of manufacturing and issuing the plate or plates, except for plates issued to disabled veterans as defined in section 168.031 and plates issued pursuant to section 168.124, 168.125, or 168.27, subdivisions 16 and 17, for passenger automobiles. The commissioner shall issue graphic design plates only for vehicles registered pursuant to section 168.017 and recreational vehicles registered pursuant to section 168.013, subdivision 1g.

(b) Unless otherwise specified or exempted by statute, the following plate and validation sticker fees apply for the original, duplicate, or replacement issuance of a plate in a plate year:

License Plate	Single	Double
Regular and Disability	\$ 4.50	\$ 6.00
Special	\$ 8.50	\$ 10.00
Personalized (Replacement)	\$ 10.00	\$ 14.00
Collector Category	\$ 13.50	\$ 15.00
Emergency Vehicle Display	\$ 3.00	\$ 6.00
Utility Trailer Self-Adhesive	\$ 2.50	
Vertical Motorcycle Plate	\$ 100.00	NA
Stickers		
Duplicate year	\$ 1.00	\$ 1.00
International Fuel Tax Agreement	\$ 2.50	

(c) For vehicles that require two of the categories above, the registrar shall only charge the higher of the two fees and not a combined total.

~~(d) As part of procedures for payment of the fee under paragraph (b), the commissioner shall allow a vehicle owner to add to the fee, a \$2 donation for the purposes of public information and education on anatomical gifts under section 171.075.~~

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 20. Minnesota Statutes 2011 Supplement, section 168.123, subdivision 1, is amended to read:

Subdivision 1. **General requirements; fees.** (a) On payment of a fee of \$10 for each set of two plates, or for a single plate in the case of a motorcycle plate, payment of the registration tax required by law, and compliance with other applicable laws relating to vehicle registration and licensing, as applicable, the commissioner shall issue:

(1) special veteran's plates to an applicant who served in the active military service in a branch of the armed forces of the United States or of a nation or society allied with the United States in conducting a foreign war, was discharged under honorable conditions, and is a registered owner of a passenger automobile as defined in section 168.002, subdivision 24, recreational motor vehicle as defined in section 168.002, subdivision 27, or one-ton pickup truck as defined in section 168.002, subdivision 21b, but which is not a commercial motor vehicle as defined in section 169.011, subdivision 16; or

(2) a veteran's special motorcycle plate as described in subdivision 2, paragraph (a), (f), (h), (i), or (j), or another special plate designed by the commissioner to an applicant who is a registered owner of a motorcycle as defined in section 168.002, subdivision 19, and meets the criteria listed in this paragraph and in subdivision 2, paragraph (a), (f), (h), (i), or (j). Plates issued under this clause must be the same size as regular motorcycle plates. Special motorcycle license plates issued under this clause are not subject to section 168.1293.

(b) The additional fee of \$10 is payable for each set of veteran's plates, is payable only when the plates are issued, and is not payable in a year in which stickers are issued instead of plates.

(c) The veteran must have a certified copy of the veteran's discharge papers, indicating character of discharge, at the time of application. If an applicant served in the active military service in a branch of the armed forces of a nation or society allied with the United States in conducting a foreign war and is unable to obtain a record of that service and discharge status, the commissioner of veterans affairs may certify the applicant as qualified for the veterans' plates provided under this section.

~~(d) For license plates issued for one-ton trucks described in paragraph (a), clause (1), the commissioner shall collect a surcharge of \$5 on each \$10 fee collected under paragraph (a). The surcharge must be deposited in the vehicle services operating account in the special revenue fund.~~

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 21. Minnesota Statutes 2010, section 168A.03, subdivision 1, is amended to read:

Subdivision 1. **No certificate issued.** The registrar shall not issue a certificate of title for:

- (1) a vehicle owned by the United States;
- (2) a vehicle owned by a nonresident and not required by law to be registered in this state;
- (3) a vehicle owned by a nonresident and regularly engaged in the interstate transportation of persons or property for which a currently effective certificate of title has been issued in another state;
- (4) a vehicle moved solely by animal power;
- (5) an implement of husbandry;
- (6) special mobile equipment;
- (7) a self-propelled wheelchair or invalid tricycle;
- (8) a trailer (i) having a gross weight of 4,000 pounds or less unless a secured party holds an interest in the trailer or a certificate of title was previously issued by this state or any other state or (ii) designed primarily for agricultural purposes except a recreational vehicle or a manufactured home, both as defined in section 168.002, subdivisions 16 and 27;
- (9) a snowmobile; ~~and~~
- (10) a spotter truck, as defined in section 169.011, subdivision 77; and
- (11) an electric-assisted bicycle, as defined in section 169.011, subdivision 27.

Sec. 22. Minnesota Statutes 2010, section 168A.07, subdivision 1, is amended to read:

Subdivision 1. **Ownership at issue; certificate withheld or bond filed.** In the event application is made in this state for a certificate of title on a vehicle and the department is not satisfied as to the ownership of the vehicle or the existence of security interests therein, the vehicle may be registered but the department, subject to subdivision 1a, shall either:

(1) withhold issuance of a certificate of title until the applicant shall present documents reasonably sufficient to satisfy the department of the applicant's ownership of the vehicle and as to any security interest therein; or

(2) as a condition to issuing a certificate of title, require the applicant to file a bond in the form and amount provided in subdivision 1b.

Subd. 1a. **Ownership at issue; requirements for certificate issuance.** (a) In the event application is made in this state for a certificate of title on a vehicle with a model year designated by the manufacturer of more than five years prior to the year in which application is made, and the applicant is unable to establish sole ownership of the vehicle because one or more owners, prior owners, or lienholders cannot be found, the department shall issue a certificate of title to the applicant if the applicant submits:

(1) the application;

(2) a bond in the form and amount provided in subdivision 1b;

(3) an affidavit that identifies the make, model year, and vehicle identification number of the vehicle, and includes a statement that:

(i) the applicant is an owner of the vehicle;

(ii) the applicant has physical possession of the vehicle; and

(iii) in attempting to transfer interest in the vehicle or obtain a certificate of title or lien release, the applicant was unable after using due diligence to (A) determine the names or locations of one or more owners, prior owners, or lienholders; or (B) successfully contact one or more owners, prior owners, or lienholders known to the applicant; and

(4) payment for required taxes and fees.

(b) Unless the department has been notified of the pendency of an action to recover the bond under paragraph (a), clause (2), the department shall allow it to expire at the end of three years.

Subd. 1b. **Bond requirements.** A bond filed under this section must be in the form prescribed by the department and executed by the applicant, and either accompanied by the deposit of cash or executed by a surety company authorized to do business in this state, in an amount equal to 1-1/2 times the value of the vehicle as determined by the department. The bond shall be conditioned to indemnify any prior owner and secured party and any subsequent purchaser of the vehicle or person acquiring any security interest therein, or the successor in interest of any said person, against any expense, loss, or damage, including reasonable attorneys' fees, by reason of the issuance of the certificate of title to the vehicle or on account of any defect in or undisclosed security interest upon the right, title and interest of the applicant in and to the vehicle. Any such interested person shall have a right of action to recover on such bond for any breach of its conditions, but the aggregate liability of the surety to all such persons shall in no event exceed the amount of the bond. Unless the department has been notified of the pendency of an action to recover on the bond and if all questions as to ownership and outstanding security interests have been resolved to the satisfaction of the department, such bond, and any deposit accompanying it, shall be returned at the end of three years or prior thereto in the event the vehicle is no longer registered in this state and the currently valid certificate of title is surrendered.

Sec. 23. Minnesota Statutes 2010, section 169.011, subdivision 4, is amended to read:

Subd. 4. **Bicycle.** (a) "Bicycle" means every device capable of being propelled solely by human power upon which any person may ride, having two tandem wheels except scooters and similar devices, and including any device generally recognized as a bicycle though equipped with two front or rear wheels. Bicycle includes an electric-assisted bicycle, as defined in subdivision 27.

(b) "Bicycle" does not include scooters, motorized foot scooters, or similar devices.

Sec. 24. Minnesota Statutes 2010, section 169.011, subdivision 27, is amended to read:

Subd. 27. **Electric-assisted bicycle.** "Electric-assisted bicycle" means a ~~motor vehicle~~ bicycle with two or three wheels that:

(1) has a saddle and fully operable pedals for human propulsion;

(2) meets the requirements:

(i) of federal motor vehicle safety standards for a motor-driven cycle in Code of Federal Regulations, title 49, sections 571.1 et seq.; or

(ii) for bicycles under Code of Federal Regulations, title 16, part 1512, or successor requirements; and

(3) has an electric motor that (i) has a power output of not more than 1,000 watts, (ii) is incapable of propelling the vehicle at a speed of more than 20 miles per hour, (iii) is incapable of further increasing the speed of the device when human power alone is used to propel the vehicle at a speed of more than 20 miles per hour, and (iv) disengages or ceases to function when the vehicle's brakes are applied.

Sec. 25. Minnesota Statutes 2010, section 169.011, subdivision 44, is amended to read:

Subd. 44. **Motorcycle.** "Motorcycle" means every motor vehicle having a seat or saddle for the use of the rider and designed to travel on not more than three wheels in contact with the ground, including motor scooters ~~and bicycles with motor attached; other than those vehicles defined as.~~ Motorcycle does not include (1) motorized bicycles as defined in subdivision 45, but excluding (2) electric-assisted bicycles as defined in subdivision 27, or (3) a tractor.

Sec. 26. Minnesota Statutes 2010, section 169.011, subdivision 45, is amended to read:

Subd. 45. **Motorized bicycle.** "Motorized bicycle" means a bicycle that is propelled by an electric or a liquid fuel motor of a piston displacement capacity of 50 cubic centimeters or less, and a maximum of two brake horsepower, which is capable of a maximum speed of not more than 30 miles per hour on a flat surface with not more than one percent grade in any direction when the motor is engaged. ~~"Motorized bicycle" includes~~ does not include an electric-assisted bicycle as defined in subdivision 27.

Sec. 27. Minnesota Statutes 2010, section 169.06, subdivision 4, is amended to read:

Subd. 4. **Obedience to traffic-control signal or flagger; presumptions.** (a) The driver of any vehicle shall obey the instructions of any official traffic-control device applicable thereto placed in accordance with the provisions of this chapter, unless otherwise directed by a police officer or by a ~~certified overdimensional load escort driver flagger authorized under this subdivision,~~ subject to the exceptions granted the driver of an authorized emergency vehicle in this chapter.

(b) No provision of this chapter for which official traffic-control devices are required shall be enforced against an alleged violator if at the time and place of the alleged violation an official device is not in proper position and sufficiently legible to be seen by an ordinarily observant person. Whenever a particular section does not state that official traffic-control devices are required, such section shall be effective even though no devices are erected or in place.

(c) Whenever official traffic-control devices are placed in position approximately conforming to the requirements of this chapter, such devices shall be presumed to have been so placed by the official act or direction of lawful authority, unless the contrary shall be established by competent evidence.

(d) Any official traffic-control device placed pursuant to the provisions of this chapter and purporting to conform to the lawful requirements pertaining to such devices shall be presumed to comply with the requirements of this chapter, unless the contrary shall be established by competent evidence.

(e) A flagger in a designated work zone may stop vehicles and hold vehicles in place until it is safe for the vehicles to proceed. A person operating a motor vehicle that has been stopped by a flagger in a designated work zone may proceed after stopping only on instruction by the flagger.

(f) An overdimensional load escort driver with a certificate issued under section 299D.085, while acting as a flagger escorting a legal overdimensional load, may stop vehicles and hold vehicles in place until it is safe for the vehicles to proceed. A person operating a motor vehicle that has been stopped by an escort driver acting as a flagger may proceed only on instruction by the flagger or a police officer.

(g) A person may stop and hold vehicles in place until it is safe for the vehicles to proceed, if the person: (1) holds a motorcycle road guard certificate issued under section 171.60; (2) meets the safety and equipment standards for operating under the certificate; (3) is acting as a flagger escorting a motorcycle group ride; (4) has notified each statutory or home rule charter city through which the motorcycle group is proceeding; and (5) has obtained consent from the chief of police, or the chief's designee, of any city of the first class through which the group is proceeding. A flagger operating as provided under this paragraph may direct operators of motorcycles within a motorcycle group ride or other vehicle traffic, notwithstanding any contrary indication of a traffic-control device, including stop signs or traffic-control signals. A person operating a vehicle that has been stopped by a flagger under this paragraph may proceed only on instruction by the flagger or a police officer.

EFFECTIVE DATE. This section is effective one year after publication in the State Register of rules adopted under section 171.60, subdivision 5.

Sec. 28. Minnesota Statutes 2010, section 169.09, subdivision 13, is amended to read:

Subd. 13. **Reports confidential; evidence, fee, penalty, appropriation.** (a) All reports and supplemental information required under this section must be for the use of the commissioner of public safety and other appropriate state, federal, county, and municipal governmental agencies for accident analysis purposes, except:

(1) the commissioner of public safety or any law enforcement agency shall, upon written request of any individual involved in an accident or upon written request of the

representative of the individual's estate, surviving spouse, or one or more surviving next of kin, or a trustee appointed under section 573.02, or other person injured in person, property, or means of support, or who incurs other pecuniary loss by virtue of the accident, disclose to the requester, the requester's legal counsel, or a representative of the requester's insurer the report required under subdivision 8;

(2) the commissioner of public safety shall, upon written request, provide the driver filing a report under subdivision 7 with a copy of the report filed by the driver;

(3) the commissioner of public safety may verify with insurance companies vehicle insurance information to enforce sections 65B.48, 169.792, 169.793, 169.796, and 169.797;

(4) the commissioner of public safety shall provide the commissioner of transportation the information obtained for each traffic accident involving a commercial motor vehicle, for purposes of administering commercial vehicle safety regulations; ~~and~~

(5) upon specific request, the commissioner of public safety shall provide the commissioner of transportation the information obtained regarding each traffic accident involving damage to identified state-owned infrastructure, for purposes of debt collection under section 161.20, subdivision 4; and

~~(5)~~ (6) the commissioner of public safety may give to the United States Department of Transportation commercial vehicle accident information in connection with federal grant programs relating to safety.

(b) Accident reports and data contained in the reports are not discoverable under any provision of law or rule of court. No report shall be used as evidence in any trial, civil or criminal, or any action for damages or criminal proceedings arising out of an accident. However, the commissioner of public safety shall furnish, upon the demand of any person who has or claims to have made a report or upon demand of any court, a certificate showing that a specified accident report has or has not been made to the commissioner solely to prove compliance or failure to comply with the requirements that the report be made to the commissioner.

(c) Nothing in this subdivision prevents any individual who has made a report under this section from providing information to any individuals involved in an accident or their representatives or from testifying in any trial, civil or criminal, arising out of an accident, as to facts within the individual's knowledge. It is intended by this subdivision to render privileged the reports required, but it is not intended to prohibit proof of the facts to which the reports relate.

(d) Disclosing any information contained in any accident report, except as provided in this subdivision, section 13.82, subdivision 3 or 6, or other statutes, is a misdemeanor.

(e) The commissioner of public safety shall charge authorized persons as described in paragraph (a) a \$5 fee for a copy of an accident report. Ninety percent of the \$5 fee collected under this paragraph must be deposited in the special revenue fund and credited to the driver services operating account established in section 299A.705 and ten percent must be deposited in the general fund. The commissioner may also furnish an electronic copy of the database of accident records, which must not contain personal or private data on an individual, to private agencies as provided in paragraph (g), for not less than the cost of preparing the copies on a bulk basis as provided in section 13.03, subdivision 3.

(f) The fees specified in paragraph (e) notwithstanding, the commissioner and law enforcement agencies shall charge commercial users who request access to response or incident data relating to accidents a fee not to exceed 50 cents per record. "Commercial user" is a user who in one location requests access to data in more than five accident reports per month, unless the user establishes that access is not for a commercial purpose. Of the money collected by the commissioner under this paragraph, 90 percent must be deposited in the special revenue fund and credited to the driver services operating account established in section 299A.705 and ten percent must be deposited in the general fund.

(g) The fees in paragraphs (e) and (f) notwithstanding, the commissioner shall provide an electronic copy of the accident records database to the public on a case-by-case basis using the cost-recovery charges provided for under section 13.03, subdivision 3. The database provided must not contain personal or private data on an individual. However, unless the accident records database includes the vehicle identification number, the commissioner shall include the vehicle registration plate number if a private agency certifies and agrees that the agency:

(1) is in the business of collecting accident and damage information on vehicles;

(2) will use the vehicle registration plate number only for identifying vehicles that have been involved in accidents or damaged, to provide this information to persons seeking access to a vehicle's history and not for identifying individuals or for any other purpose; and

(3) will be subject to the penalties and remedies under sections 13.08 and 13.09.

Sec. 29. Minnesota Statutes 2010, section 169.222, subdivision 6, is amended to read:

Subd. 6. **Bicycle equipment.** (a) No person shall operate a bicycle at nighttime unless the bicycle or its operator is equipped with (1) a lamp which shall emit emits a white light visible from a distance of at least 500 feet to the front; and with (2) a red reflector of a type approved by the Department of Public Safety which is visible from all distances from 100 feet to 600 feet to the rear when directly in front of lawful lower beams of headlamps on a motor vehicle.

(b) No person may operate a bicycle at any time when there is not sufficient light to render persons and vehicles on the highway clearly discernible at a distance of 500 feet ahead unless the bicycle or its operator is equipped with reflective surfaces that shall be visible during the hours of darkness from 600 feet when viewed in front of lawful lower beams of headlamps on a motor vehicle. The reflective surfaces shall include reflective materials on each side of each pedal to indicate their presence from the front or the rear and with a minimum of 20 square inches of reflective material on each side of the bicycle or its operator. Any bicycle equipped with side reflectors as required by regulations for new bicycles prescribed by the United States Consumer Product Safety Commission shall be considered to meet the requirements for side reflectorization contained in this subdivision.

(c) A bicycle may be equipped with a front lamp that emits a white flashing signal, or a rear lamp that emits a red flashing signal, or both.

(d) A bicycle may be equipped with tires having studs, spikes, or other protuberances designed to increase traction.

~~(b)~~ (e) No person shall operate a bicycle unless it is equipped with a brake which will enable the operator to make the braked wheels skid on dry, level, clean pavement.

~~(f)~~ (f) No person shall operate upon a highway any two-wheeled bicycle equipped with handlebars so raised that the operator must elevate the hands above the level of the shoulders in order to grasp the normal steering grip area.

~~(g)~~ (g) No person shall operate upon a highway any bicycle which is of such a size as to prevent the operator from stopping the bicycle, supporting it with at least one foot on the highway surface and restarting in a safe manner.

Sec. 30. Minnesota Statutes 2010, section 169.222, is amended by adding a subdivision to read:

Subd. 6b. **Operator age.** No person under the age of 15 shall operate an electric-assisted bicycle.

Sec. 31. Minnesota Statutes 2010, section 169.222, subdivision 7, is amended to read:

Subd. 7. **Sale with reflectors and other equipment.** No person shall sell or offer for sale any new bicycle unless it is equipped with reflectors and other equipment as required by subdivision 6, ~~clauses (a) and paragraphs (b) and (e)~~ and by the applicable regulations for new bicycles prescribed by the United States Consumer Product Safety Commission.

Sec. 32. Minnesota Statutes 2010, section 169.223, subdivision 1, is amended to read:

Subdivision 1. **Safety equipment; parking.** ~~Except as otherwise provided in this section,~~ Section 169.974 relating to motorcycles is applicable to motorized bicycles, except as otherwise provided in this section and except that:

(1) protective headgear includes headgear that meets the ~~American National Standard for Protective Headgear for Bicyclists, ANSI Z90.4-1984, approved by the American National Standards Institute, Inc.~~ standards under Code of Federal Regulations, title 16, part 1203, or successor requirements;

(2) a motorized bicycle equipped with a headlight and taillight meeting the requirements of lighting for motorcycles may be operated during nighttime hours;

(3) ~~except as provided in clause (5);~~ protective headgear is not required for operators 18 years of age or older; and

(4) the provisions of section 169.222, subdivision 9, governing the parking of bicycles apply to motorized bicycles; ;

~~(5) the operator of an electric-assisted bicycle must wear properly fitted and fastened headgear that meets the American National Standard for Protective Headgear for Bicyclists, ANSI Z90.4-1984, approved by the American National Standards Institute, Inc., when operating the electric-assisted bicycle on a street or highway, and~~

~~(6) eye protection devices are not required for operators of electric-assisted bicycles.~~

Sec. 33. Minnesota Statutes 2010, section 169.223, subdivision 5, is amended to read:

Subd. 5. **Other operation requirements and prohibitions.** (a) A person operating a motorized bicycle on a roadway shall ride as close as practicable to the right-hand curb or edge of the roadway except in one of the following situations:

(1) when overtaking and passing another vehicle proceeding in the same direction;

(2) when preparing for a left turn at an intersection or into a private road or driveway; or

(3) when reasonably necessary to avoid conditions, including fixed or moving objects, vehicles, pedestrians, animals, surface hazards, or narrow width lanes, that make it unsafe to continue along the right-hand curb or edge.

(b) Persons operating motorized bicycles on a roadway may not ride more than two abreast and may not impede the normal and reasonable movement of traffic. On a laned roadway, a person operating a motorized bicycle shall ride within a single lane.

(c) This section does not permit the operation of a motorized bicycle on a bicycle path or bicycle lane that is reserved for the exclusive use of nonmotorized traffic.

~~(d) Subject to the provisions of section 160.263, subdivision 3, a person may operate an electric-assisted bicycle on a bicycle lane. A person may operate an electric-assisted bicycle on the shoulder of a roadway if the electric-assisted bicycle is traveling in the same direction as the adjacent vehicular traffic.~~

Sec. 34. Minnesota Statutes 2010, section 169.72, subdivision 1, is amended to read:

Subdivision 1. **Solid rubber, metal, and studded tires; exceptions; permits.** (a) Every solid rubber tire on a vehicle ~~shall~~ must have rubber on its entire traction surface at least one inch thick above the edge of the flange of the entire periphery.

(b) No person shall operate or move on any highway any motor vehicle, trailer, or semitrailer, having any metal tire in contact with the roadway, except in case of emergency.

(c) Except as provided in this section, no tire on a vehicle moved on a highway shall have on its periphery any block, stud, flange, cleat, or spike or any other protuberances of any material other than rubber which projects beyond the tread of the traction surface of the tire.

~~(d)~~ (e) It ~~shall be~~ is permissible to use any of the following on highways:

(1) implements of husbandry with tires having protuberances which will not injure the highway, ~~and~~;

(2) tire chains of reasonable proportions upon any vehicle when required for safety because of snow, ice, or other conditions tending to cause a vehicle to skid; ~~and~~

(3) tires on a bicycle as provided in section 169.222, subdivision 6.

~~(d)~~ (e) The commissioner and local authorities in their respective jurisdictions may, in their discretion, issue special permits authorizing the operation upon a highway of traction engines or tractors having movable tracks with transverse corrugations upon the periphery of such movable tracks or farm tractors or other farm machinery, the operation of which upon a highway would otherwise be prohibited under this chapter.

Sec. 35. Minnesota Statutes 2011 Supplement, section 169.86, subdivision 5, is amended to read:

Subd. 5. **Fees; proceeds deposited; appropriation.** The commissioner, with respect to highways under the commissioner's jurisdiction, may charge a fee for each permit issued. Unless otherwise specified, all such fees for permits issued by the commissioner of transportation shall be deposited in the state treasury and credited to

the trunk highway fund. Except for those annual permits for which the permit fees are specified elsewhere in this chapter, the fees shall be:

(a) \$15 for each single trip permit.

(b) \$36 for each job permit. A job permit may be issued for like loads carried on a specific route for a period not to exceed two months. "Like loads" means loads of the same product, weight, and dimension.

(c) \$60 for an annual permit to be issued for a period not to exceed 12 consecutive months. Annual permits may be issued for:

(1) motor vehicles used to alleviate a temporary crisis adversely affecting the safety or well-being of the public;

(2) motor vehicles which travel on interstate highways and carry loads authorized under subdivision 1a;

(3) motor vehicles operating with gross weights authorized under section 169.826, subdivision 1a;

(4) special pulpwood vehicles described in section 169.863;

(5) motor vehicles bearing snowplow blades not exceeding ten feet in width;

(6) noncommercial transportation of a boat by the owner or user of the boat;

(7) motor vehicles carrying bales of agricultural products authorized under section 169.862; and

(8) special milk-hauling vehicles authorized under section 169.867.

(d) \$120 for an oversize annual permit to be issued for a period not to exceed 12 consecutive months. Annual permits may be issued for:

(1) mobile cranes;

(2) construction equipment, machinery, and supplies;

(3) manufactured homes and manufactured storage buildings;

(4) implements of husbandry;

(5) double-deck buses;

(6) commercial boat hauling and transporting waterfront structures, including, but not limited to, portable boat docks and boat lifts;

(7) three-vehicle combinations consisting of two empty, newly manufactured trailers for cargo, horses, or livestock, not to exceed 28-1/2 feet per trailer; provided, however, the permit allows the vehicles to be moved from a trailer manufacturer to a trailer dealer only while operating on twin-trailer routes designated under section 169.81, subdivision 3, paragraph (c); and

(8) vehicles operating on that portion of marked Trunk Highway 36 described in section 169.81, subdivision 3, paragraph (e).

(e) For vehicles which have axle weights exceeding the weight limitations of sections 169.823 to 169.829, an additional cost added to the fees listed above. However, this paragraph applies to any vehicle described in section 168.013, subdivision 3, paragraph (b), but only when the vehicle exceeds its gross weight allowance set forth in

that paragraph, and then the additional cost is for all weight, including the allowance weight, in excess of the permitted maximum axle weight. The additional cost is equal to the product of the distance traveled times the sum of the overweight axle group cost factors shown in the following chart:

Weight (pounds) exceeding weight limitations on axles	Overweight Axle Group Cost Factors		
	Cost Per Mile For Each Group Of:		
	Two consecutive axles spaced within 8 feet or less	Three consecutive axles spaced within 9 feet or less	Four consecutive axles spaced within 14 feet or less
0-2,000	.12	.05	.04
2,001-4,000	.14	.06	.05
4,001-6,000	.18	.07	.06
6,001-8,000	.21	.09	.07
8,001-10,000	.26	.10	.08
10,001-12,000	.30	.12	.09
12,001-14,000	Not permitted	.14	.11
14,001-16,000	Not permitted	.17	.12
16,001-18,000	Not permitted	.19	.15
18,001-20,000	Not permitted	Not permitted	.16
20,001-22,000	Not permitted	Not permitted	.20

The amounts added are rounded to the nearest cent for each axle or axle group. The additional cost does not apply to paragraph (c), clauses (1) and (3).

For a vehicle found to exceed the appropriate maximum permitted weight, a cost-per-mile fee of 22 cents per ton, or fraction of a ton, over the permitted maximum weight is imposed in addition to the normal permit fee. Miles must be calculated based on the distance already traveled in the state plus the distance from the point of detection to a transportation loading site or unloading site within the state or to the point of exit from the state.

(f) As an alternative to paragraph (e), an annual permit may be issued for overweight, or oversize and overweight, mobile cranes; construction equipment, machinery, and supplies; implements of husbandry; and commercial boat hauling. The fees for the permit are as follows:

Gross Weight (pounds) of Vehicle	Annual Permit Fee
90,000 or less	\$200

90,001 - 100,000	\$300
100,001 - 110,000	\$400
110,001 - 120,000	\$500
120,001 - 130,000	\$600
130,001 - 140,000	\$700
140,001 - 145,000	\$800

If the gross weight of the vehicle is more than 145,000 pounds the permit fee is determined under paragraph (e).

(g) For vehicles which exceed the width limitations set forth in section 169.80 by more than 72 inches, an additional cost equal to \$120 added to the amount in paragraph (a) when the permit is issued while seasonal load restrictions pursuant to section 169.87 are in effect.

(h) \$85 for an annual permit to be issued for a period not to exceed 12 months, for refuse-compactor vehicles that carry a gross weight of not more than: 22,000 pounds on a single rear axle; 38,000 pounds on a tandem rear axle; or, subject to section 169.828, subdivision 2, 46,000 pounds on a tridem rear axle. A permit issued for up to 46,000 pounds on a tridem rear axle must limit the gross vehicle weight to not more than 62,000 pounds.

(i) \$300 for a motor vehicle described in section 169.8261. The fee under this paragraph must be deposited as follows:

~~(1) in fiscal years 2005 through 2010:~~

~~(i) (1) the first \$50,000 in each fiscal year must be deposited in the trunk highway fund for costs related to administering the permit program and inspecting and posting bridges; and~~

~~(ii) (2) all remaining money in each fiscal year must be deposited in the bridge inspection and signing account in the special revenue fund as provided under subdivision 5b. Money in the account is appropriated to the commissioner for:~~

~~(A) inspection of local bridges and identification of local bridges to be posted, including contracting with a consultant for some or all of these functions, and~~

~~(B) erection of weight-posting signs on local bridges, and~~

~~(2) in fiscal year 2011 and subsequent years must be deposited in the trunk highway fund.~~

(j) Beginning August 1, 2006, \$200 for an annual permit for a vehicle operating under authority of section 169.824, subdivision 2, paragraph (a), clause (2).

EFFECTIVE DATE. This section is effective July 1, 2012.

Sec. 36. Minnesota Statutes 2010, section 169.86, is amended by adding a subdivision to read:

Subd. 5b. Bridge inspection and signing account; appropriation. (a) A bridge inspection and signing account is established in the special revenue fund. The account

consists of fees for special permits as specified under this chapter, and any other money donated, allotted, transferred, or otherwise provided to the account.

(b) The revenue in the bridge inspection and signing account under this subdivision is annually appropriated to the commissioner for:

(1) inspection of local bridges and identification of local bridges to be posted, including contracting with a consultant for some or all of these functions; and

(2) erection of weight-posting signs on local bridges.

EFFECTIVE DATE. This section is effective July 1, 2012.

Sec. 37. Minnesota Statutes 2010, section 169.865, subdivision 4, is amended to read:

Subd. 4. **Deposit of revenues; ~~appropriation.~~** ~~(a)~~ Revenue from the permits issued by the commissioner under this section must be deposited:

~~(1) in fiscal years 2008 through 2011, in the bridge inspection and signing account in the special revenue fund, and~~

~~(2) in fiscal year 2012 and subsequent years, in the trunk highway fund as provided under section 169.86, subdivision 5b.~~

~~(b) The revenue in the bridge inspection and signing account under this section is annually appropriated to the commissioner for:~~

~~(1) inspection of local bridges and identification of local bridges to be posted, including contracting with a consultant for some or all of these functions, and~~

~~(2) erection of weight-posting signs on local bridges.~~

EFFECTIVE DATE. This section is effective July 1, 2012.

Sec. 38. Minnesota Statutes 2010, section 169.872, subdivision 1a, is amended to read:

Subd. 1a. **Limit on civil penalties.** A civil penalty for excessive weight under section 169.871 may be imposed based on a record of a shipment under this section only if a state law enforcement officer or motor transportation representative: (1) has inspected and copied the record within 14 days of the date the shipment was received by the person keeping the record; and (2) has assessed the penalty within 90 days of the date the officer or representative inspected and copied the record.

Sec. 39. Minnesota Statutes 2010, section 169.98, subdivision 1, is amended to read:

Subdivision 1. **Colors and markings.** (a) Except as provided in subdivisions 2 and 2a, all motor vehicles which are primarily used in the enforcement of highway traffic rules by the State Patrol or for general uniform patrol assignment by any municipal police department or other law enforcement agency, except conservation officers, shall have uniform colors and markings as provided in this subdivision. Motor vehicles of:

(1) municipal police departments, including the University of Minnesota Police Department and park police units, shall be predominantly blue, brown, green, black, or white;

(2) the State Patrol shall be predominantly maroon; and

(3) the county sheriff's office shall be predominantly brown, black, gold, or white.

(b) The identity of the governmental unit operating the vehicle shall be displayed on both front door panels and on the rear of the vehicle. The identity may be in the form of a shield or emblem, or may be the word "police," "sheriff," or the words "State Patrol" or "conservation officer," as appropriate, with letters not less than 2-1/2 inches high, one-inch wide and of a three-eighths inch brush stroke. The identity shall be of a color contrasting with the background color so that the motor vehicle is easily identifiable as belonging to a specific type of law enforcement agency. Each vehicle shall be marked with its own identifying number on the rear of the vehicle. The number shall be printed in the same size and color required pursuant to this subdivision for identifying words which may be displayed on the vehicle.

Sec. 40. Minnesota Statutes 2010, section 169.98, subdivision 3, is amended to read:

Subd. 3. **Security guard vehicle.** (a) All motor vehicles which are used by security guards in the course of their employment may have any color other than those specified in subdivision 1 for law enforcement vehicles. The identity of the security service shall be displayed on the motor vehicle as required for law enforcement vehicles.

(b) Notwithstanding subdivision 1, paragraph (a), clause (1), a security guard may continue to use a motor vehicle that is predominantly black in the course of the guard's employment if the vehicle was being used in this manner before August 1, 2002.

(c) Notwithstanding subdivision 1, paragraph (a), clause (3), a security guard may continue to use a motor vehicle that is predominantly gold in the course of the guard's employment if the vehicle was being used in this manner before August 1, 2012.

Sec. 41. Minnesota Statutes 2010, section 171.01, subdivision 41, is amended to read:

Subd. 41. **Motorized bicycle.** ~~"Motorized bicycle" means a bicycle that is propelled by an electric or a liquid fuel motor of a piston displacement capacity of 50 cubic centimeters or less, and a maximum of two brake horsepower, which is capable of a maximum speed of not more than 30 miles per hour on a flat surface with not more than one percent grade in any direction when the motor is engaged. "Motorized bicycle" includes an electric-assisted bicycle as defined in section 169.011, subdivision 27, has the meaning given in section 169.011, subdivision 45.~~

Sec. 42. Minnesota Statutes 2011 Supplement, section 171.075, subdivision 1, is amended to read:

Subdivision 1. **Anatomical gift account.** An anatomical gift account is established in the special revenue fund. The account consist of funds donated under sections ~~168.12~~ 168.013, subdivision ~~5~~ 22, and 171.06, subdivision 2, and any other money donated, allotted, transferred, or otherwise provided to the account. Money in the account is annually appropriated to the commissioner for (1) grants under subdivision 2, and (2) administrative expenses in implementing the donation and grant program.

EFFECTIVE DATE. This section is effective January 1, 2013.

Sec. 43. **[171.60] MOTORCYCLE ROAD GUARD CERTIFICATE.**

Subdivision 1. **Certificate required.** No person may perform traffic control as a motorcycle road guard as provided under chapter 169 without a valid motorcycle road guard certificate issued by the commissioner.

Subd. 2. **Certification qualifications and standards.** Through the Minnesota Motorcycle Safety Center, the commissioner of public safety shall:

(1) establish qualifications and requirements for a person to obtain a motorcycle road guard certificate under this section, which must include:

(i) a minimum 18 years of age;

(ii) possession of a valid driver's license; and

(iii) successful completion of a motorcycle road guard certification course;

(2) develop and offer, whether by the Minnesota Motorcycle Safety Center or authorized agents, a motorcycle road guard certification course; and

(3) establish safety and equipment standards for a person who operates under a motorcycle road guard certificate, including but not limited to specifying requirements for a reflective safety vest.

Subd. 3. **Fee.** The commissioner of public safety shall assess a fee for each applicant for a motorcycle road guard certificate, calculated to cover the commissioner's cost of establishing and administering the program.

Subd. 4. **Penalty.** A person who violates any provision of this section is guilty of a petty misdemeanor.

Subd. 5. **Rulemaking.** The commissioner of public safety shall adopt rules to carry out the provisions of this section. Notwithstanding section 16A.1283, the rules must specify the fee to be assessed under subdivision 3.

EFFECTIVE DATE. Subdivisions 1 to 4 are effective one year after publication in the State Register of rules adopted under subdivision 5. Subdivision 5 is effective the day following final enactment.

Sec. 44. Minnesota Statutes 2010, section 174.03, is amended by adding a subdivision to read:

Subd. 1d. **Freight rail economic development study.** (a) The commissioner of transportation, in cooperation with the commissioner of the Department of Employment and Economic Development, shall conduct a freight rail economic development study. The study will assess the economic impact of freight railroads in the state and identify opportunities to expand business development and enhance economic competitiveness through improved utilization of freight rail options. Findings from the study shall be incorporated as an amendment to the statewide freight and passenger rail plan.

(b) The commissioner of transportation shall provide an interim progress report on the study by January 15, 2013, and a final report on September 1, 2013, to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance and over employment and economic development. The reports shall include any recommended legislative initiatives.

(c) The commissioner of transportation may expend up to \$216,000 in fiscal year 2013 under section 222.50, subdivision 7, to pay the costs of this study and report.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 45. **[174.40] SAFE ROUTES TO SCHOOL PROGRAM.**

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have the meanings given them.

(b) "Bond eligible cost" means expenditures under this section for acquisition of land or permanent easements, predesign, design, preliminary and final engineering, environmental analysis, construction, and reconstruction of publicly owned infrastructure in this state with a useful life of at least ten years that provides for nonmotorized transportation to and from a school; preparation of land for which a route to school is established, including demolition of structures and remediation of any hazardous conditions on the land; and the unpaid principal on debt issued by a political subdivision for a safe routes to school project.

(c) "Federal program" means the safe routes to school program under Title I, section 1404 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) of 2005, Public Law 109-59.

(d) "School" means a school, as defined in section 120A.22, subdivision 4, excluding a home school.

Subd. 2. **Program creation.** (a) A safe routes to school program is established to provide assistance in capital investments for safe and appealing nonmotorized transportation to and from a school. The commissioner shall develop and implement the safe routes to school program as provided in this section. Financial assistance under this section is to supplement or replace aid for infrastructure projects under the federal program.

(b) The commissioner may provide grants or other financial assistance for a safe routes to school project at the commissioner's discretion, subject to the requirements of this section.

Subd. 3. **Safe routes to school accounts.** (a) A safe routes to school account is established in the bond proceeds fund. The account consists of state bond proceeds appropriated to the commissioner. Money in the account may only be expended on bond-eligible costs of a project receiving financial assistance as provided under this section. All uses of funds from the account must be for publicly owned property.

(b) A safe routes to school account is established in the general fund. The account consists of funds as provided by law, and any other money donated, allotted, transferred, or otherwise provided to the account. Money in the account may only be expended on a project receiving financial assistance as provided under this section.

Subd. 4. **State general obligation bond funds.** Minnesota Constitution, article XI, section 5, clause (a), requires that state general obligation bonds be issued to finance only the acquisition or betterment of public land, buildings, and other public improvements of a capital nature. The legislature has determined that many school transportation infrastructure projects will constitute betterments and capital improvements within the meaning of the Minnesota Constitution and capital expenditures under generally accepted accounting principles, and will be financed more efficiently and economically under this section than by direct appropriations for specific projects.

Subd. 5. **Program administration.** (a) The commissioner shall establish general program requirements and a competitive process for financial assistance, including but not limited to eligibility requirements for grant recipients and projects; procedures for solicitation of grants; application requirements; procedures for payment of financial assistance awards; and a schedule for application, evaluation, and award of financial assistance.

(b) An application must include:

(1) a detailed and specific description of the project;

(2) an estimate, along with necessary supporting evidence, of the total costs for the project and the allocation of identified and proposed funding sources for the project;

(3) an assessment of the need for and benefits of the project;

(4) a resolution adopted by the governing body of the school for which a safe routes to school grant is requested, certifying that: (i) the governing body of the school supports the project; and (ii) funds, if any, required to be supplied by the school to complete the project are available and committed;

(5) a timeline indicating the major milestones of the project and their anticipated completion dates; and

(6) any additional information or material the commissioner prescribes.

(c) The commissioner shall make reasonable efforts to (1) publicize each solicitation for applications among all eligible recipients, and (2) provide technical and informational assistance in creating and submitting applications.

(d) By January 1, 2013, the commissioner of transportation shall publish and maintain a manual on the safe routes to school program that assists applicants for and recipients of financial assistance. The manual must include a list of eligibility and general program requirements, an explanation of the application process, and a review of the criteria used to evaluate projects.

Subd. 6. **Evaluation criteria.** The commissioner shall establish criteria for evaluation of applications and selection of projects. The criteria must include:

(1) establishment or capital improvement of transportation infrastructure that improves safety and encourages nonmotorized transportation to and from a school;

(2) compliance with all applicable requirements for capital infrastructure projects established by the Federal Highway Administration, U.S. Department of Transportation, for the federal program; and

(3) other components as determined by the commissioner.

Subd. 7. **Grant cancellation.** If, five years after execution of a grant agreement, the commissioner determines that the grantee has not proceeded in a timely manner with implementation of the project funded, the commissioner must cancel the grant and the grantee must repay to the commissioner all grant money paid to the grantee. Section 16A.642 applies to any appropriations made from the bond proceeds fund to the commissioner under this section that have not been awarded as financial assistance.

Subd. 8. **Legislative report.** By November 1 annually, the commissioner shall submit a report on the safe routes to school program to the chairs and ranking minority

members of the house of representatives and senate committees with jurisdiction over transportation policy and finance. The report must at a minimum:

- (1) summarize program implementation;
- (2) provide an overview of grant evaluation and criteria used in project selection;
- (3) provide a brief description of each project funded in the previous fiscal year, including the amount of money provided from each safe routes to school account under this section and the amount provided under the federal program;
- (4) summarize the status of the federal program or successor legislation; and
- (5) identify any recommendations for legislative changes, including proposals to improve program effectiveness.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 46. Minnesota Statutes 2010, section 221.091, subdivision 2, is amended to read:

Subd. 2. **Small vehicle passenger service.** ~~(a)~~ A city that licenses and regulates small vehicle passenger service must do so by ordinance. The ordinance must, at a minimum, provide for driver qualifications, insurance, vehicle safety, and periodic vehicle inspections. A city that has adopted an ordinance complying with this subdivision may enforce the registration requirement in section 221.021.

~~(b) A person who provides small vehicle passenger service to an individual for the purpose of obtaining nonemergency medical care and who receives reimbursement under section 256B.0625, subdivision 17, for providing the service, must comply with the rules of the commissioner adopted under section 174.30.~~

Sec. 47. Minnesota Statutes 2010, section 222.63, subdivision 9, is amended to read:

Subd. 9. **Rail bank property use; ~~petty misdemeanors penalties.~~** (a) Except for the actions of road authorities and their agents, employees, and contractors, and of utilities, in carrying out their duties imposed by permit, law, or contract, and except as otherwise provided in this section, it is unlawful to knowingly perform any of the following activities on rail bank property:

- (1) obstruct any trail;
- (2) deposit snow or ice;
- (3) remove or place any earth, vegetation, gravel, or rock without authorization;
- (4) obstruct or remove any ditch-draining device, or drain any harmful or dangerous materials;
- (5) erect a fence, or place or maintain any advertising, sign, or memorial, except upon authorization by the commissioner of transportation;
- (6) remove, injure, displace, or destroy right-of-way markers or reference or witness monuments or markers placed to preserve section or quarter-section corners defining rail bank property limits;
- (7) drive upon any portion of rail bank property, except at approved crossings, and except where authorized for snowmobiles, emergency vehicles, maintenance vehicles, or other vehicles authorized to use rail bank property;

(8) deface, mar, damage, or tamper with any structure, work, material, sign, marker, paving, guardrail, drain, or any other rail bank appurtenance; ~~or~~

(9) park, overhang, or abandon any unauthorized vehicle or implement of husbandry on, across, or over the limits of rail bank property;

(10) plow, disc, or perform any other detrimental operation; or

(11) place or maintain any permanent structure.

(b) Unless a greater penalty is provided elsewhere in statute, ~~any~~ a violation of this subdivision is a petty misdemeanor. A second or subsequent violation is a misdemeanor.

(c) The cost to remove, repair, or perform any other corrective action necessitated by a violation of this subdivision may be charged to the violator.

Sec. 48. Minnesota Statutes 2010, section 296A.07, subdivision 4, is amended to read:

Subd. 4. **Exemptions.** The provisions of subdivision 1 do not apply to gasoline or denatured ethanol purchased by:

(1) a transit system or transit provider receiving financial assistance or reimbursement under section 174.24, 256B.0625, subdivision 17, or 473.384;

(2) providers of transportation to recipients of medical assistance home and community-based services waivers enrolled in day programs, including adult day care, family adult day care, day treatment and habilitation, prevocational services, and structured day services;

(3) an ambulance service licensed under chapter 144E; ~~or~~

(4) providers of medical or dental services by a federally qualified health center, as defined under title 19 of the Social Security Act, as amended by Section 4161 of the Omnibus Budget Reconciliation Act of 1990, with a motor vehicle used exclusively as a mobile medical unit; or

~~(5)~~ (5) a licensed distributor to be delivered to a terminal for use in blending.

EFFECTIVE DATE. Clause (2) is effective retroactively from January 1, 2012, and clause (4) is effective retroactively from January 1, 2011.

Sec. 49. Minnesota Statutes 2010, section 296A.08, subdivision 3, is amended to read:

Subd. 3. **Exemptions.** The provisions of subdivisions 1 and 2 do not apply to special fuel or alternative fuels purchased by:

(1) a transit system or transit provider receiving financial assistance or reimbursement under section 174.24, 256B.0625, subdivision 17, or 473.384;

(2) providers of transportation to recipients of medical assistance home and community-based services waivers enrolled in day programs, including adult day care, family adult day care, day treatment and habilitation, prevocational services, and structured day services;

(3) an ambulance service licensed under chapter 144E; ~~or~~

(4) providers of medical or dental services by a federally qualified health center, as defined under title 19 of the Social Security Act, as amended by Section 4161 of the

Omnibus Budget Reconciliation Act of 1990, with a motor vehicle used exclusively as a mobile medical unit; or

~~(5)~~ (5) a licensed distributor to be delivered to a terminal for use in blending.

EFFECTIVE DATE. Clause (2) is effective retroactively from January 1, 2012, and clause (4) is effective retroactively from January 1, 2011.

Sec. 50. Minnesota Statutes 2010, section 297A.68, subdivision 19, is amended to read:

Subd. 19. **Petroleum products.** The following petroleum products are exempt:

(1) products upon which a tax has been imposed and paid under chapter 296A, and for which no refund has been or will be allowed because the buyer used the fuel for nonhighway use;

(2) products that are used in the improvement of agricultural land by constructing, maintaining, and repairing drainage ditches, tile drainage systems, grass waterways, water impoundment, and other erosion control structures;

(3) products purchased by a transit system receiving financial assistance under section 174.24, 256B.0625, subdivision 17, or 473.384;

(4) products purchased by an ambulance service licensed under chapter 144E;

(5) products used in a passenger snowmobile, as defined in section 296A.01, subdivision 39, for off-highway business use as part of the operations of a resort as provided under section 296A.16, subdivision 2, clause (2); ~~or~~

(6) products purchased by a state or a political subdivision of a state for use in motor vehicles exempt from registration under section 168.012, subdivision 1, paragraph (b);

(7) products purchased by providers of transportation to recipients of medical assistance home and community-based services waivers enrolled in day programs, including adult day care, family adult day care, day treatment and habilitation, prevocational services, and structured day services; or

(8) products used in a motor vehicle used exclusively as a mobile medical unit for the provision of medical or dental services by a federally qualified health center, as defined under title 19 of the federal Social Security Act, as amended by Section 4161 of the Omnibus Budget Reconciliation Act of 1990.

EFFECTIVE DATE. Clause (7) is effective retroactively from January 1, 2012, and clause (8) is effective retroactively from January 1, 2011.

Sec. 51. Minnesota Statutes 2011 Supplement, section 297B.03, is amended to read:

297B.03 EXEMPTIONS.

There is specifically exempted from the provisions of this chapter and from computation of the amount of tax imposed by it the following:

(1) purchase or use, including use under a lease purchase agreement or installment sales contract made pursuant to section 465.71, of any motor vehicle by the United States and its agencies and instrumentalities and by any person described in and subject to the conditions provided in section 297A.67, subdivision 11;

(2) purchase or use of any motor vehicle by any person who was a resident of another state or country at the time of the purchase and who subsequently becomes a resident of Minnesota, provided the purchase occurred more than 60 days prior to the date such person began residing in the state of Minnesota and the motor vehicle was registered in the person's name in the other state or country;

(3) purchase or use of any motor vehicle by any person making a valid election to be taxed under the provisions of section 297A.90;

(4) purchase or use of any motor vehicle previously registered in the state of Minnesota when such transfer constitutes a transfer within the meaning of section 118, 331, 332, 336, 337, 338, 351, 355, 368, 721, 731, 1031, 1033, or 1563(a) of the Internal Revenue Code;

(5) purchase or use of any vehicle owned by a resident of another state and leased to a Minnesota-based private or for-hire carrier for regular use in the transportation of persons or property in interstate commerce provided the vehicle is titled in the state of the owner or secured party, and that state does not impose a sales tax or sales tax on motor vehicles used in interstate commerce;

(6) purchase or use of a motor vehicle by a private nonprofit or public educational institution for use as an instructional aid in automotive training programs operated by the institution. "Automotive training programs" includes motor vehicle body and mechanical repair courses but does not include driver education programs;

(7) purchase of a motor vehicle by an ambulance service licensed under section 144E.10 when that vehicle is equipped and specifically intended for emergency response or for providing ambulance service;

(8) purchase of a motor vehicle by or for a public library, as defined in section 134.001, subdivision 2, as a bookmobile or library delivery vehicle;

(9) purchase of a ready-mixed concrete truck;

(10) purchase or use of a motor vehicle by a town for use exclusively for road maintenance, including snowplows and dump trucks, but not including automobiles, vans, or pickup trucks;

(11) purchase or use of a motor vehicle by a corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious, or educational purposes, except a public school, university, or library, but only if the vehicle is:

(i) a truck, as defined in section 168.002, a bus, as defined in section 168.002, or a passenger automobile, as defined in section 168.002, if the automobile is designed and used for carrying more than nine persons including the driver; and

(ii) intended to be used primarily to transport tangible personal property or individuals, other than employees, to whom the organization provides service in performing its charitable, religious, or educational purpose;

(12) purchase of a motor vehicle for use by a transit provider exclusively to provide transit service is exempt if the transit provider is either (i) receiving financial assistance or reimbursement under section 174.24 or 473.384, or (ii) operating under section 174.29, 473.388, or 473.405;

(13) purchase or use of a motor vehicle by a qualified business, as defined in section 469.310, located in a job opportunity building zone, if the motor vehicle is principally garaged in the job opportunity building zone and is primarily used as part of or in direct support of the person's operations carried on in the job opportunity building zone. The exemption under this clause applies to sales, if the purchase was made and delivery received during the duration of the job opportunity building zone. The exemption under this clause also applies to any local sales and use tax; ~~and~~

(14) purchase of a leased vehicle by the lessee who was a participant in a lease-to-own program from a charitable organization that is:

(i) described in section 501(c)(3) of the Internal Revenue Code; and

(ii) licensed as a motor vehicle lessor under section 168.27, subdivision 4; and

(15) purchase of a motor vehicle used exclusively as a mobile medical unit for the provision of medical or dental services by a federally qualified health center, as defined under title 19 of the Social Security Act, as amended by section 4161 of the Omnibus Budget Reconciliation Act of 1990.

EFFECTIVE DATE. This section is effective retroactively for sales and purchases made on and after January 1, 2011.

Sec. 52. Minnesota Statutes 2010, section 299D.085, subdivision 2, is amended to read:

Subd. 2. **Certificate.** Except as provided in subdivision 2a, no person may operate as an overdimensional load escort driver in this state without a certificate issued by the commissioner, or by a state with which the commissioner has entered into a reciprocal agreement. The commissioner shall assess a fee for each certificate applicant, calculated to cover the commissioner's cost of establishing and administering the program.

EFFECTIVE DATE. This section is effective the day following final enactment and expires on the December 31 that occurs immediately after two years following the publication in the State Register of rules adopted under Laws 2010, chapter 311, section 3, subdivision 5.

Sec. 53. Minnesota Statutes 2010, section 299D.085, is amended by adding a subdivision to read:

Subd. 2a. **Exceptions.** A person who is a minimum of 18 years of age, possesses a valid operator's license for the type of vehicle being operated, and meets vehicle and safety equipment standards specified by the commissioner may operate without a certificate as an overdimensional load escort driver when: (1) the load consists of manufactured homes, as defined in section 327.31, subdivision 6, or modular homes, as defined in section 272.02, subdivision 85, paragraph (c); (2) the load does not extend over the centerline of a roadway; and (3) the vehicle carrying the overdimensional load is not routed to travel the wrong way on a roadway.

EFFECTIVE DATE. This section is effective the day following final enactment and expires on the December 31 that occurs immediately after two years following the publication in the State Register of rules adopted under Laws 2010, chapter 311, section 3, subdivision 5.

Sec. 54. Minnesota Statutes 2010, section 299D.09, is amended to read:

299D.09 ESCORT SERVICE; APPROPRIATION; RECEIPTS.

Fees charged for escort services provided by the State Patrol are annually appropriated to the commissioner of public safety to administer and provide these services.

The ~~fees~~ fee charged for services provided by the State Patrol with a vehicle ~~are \$73.60~~ is \$79.28 an hour in fiscal year 2008 and ~~\$75.76~~ an hour in fiscal year 2009 and thereafter. The ~~fees~~ fee charged for services provided without a vehicle ~~are \$54~~ is \$59.28 an hour in fiscal year 2008 and ~~\$56.16~~ an hour in fiscal year 2009 and thereafter.

The fees charged for State Patrol flight services are \$140 an hour for a fixed wing aircraft, \$490 an hour for a helicopter, and \$600 an hour for the Queen Air in fiscal year 2012; and \$139.64 an hour for a fixed wing aircraft, \$560.83 an hour for a helicopter, and \$454.84 an hour for the Queen Air in fiscal year 2013 and thereafter.

EFFECTIVE DATE. This section is effective July 1, 2012.

Sec. 55. Minnesota Statutes 2010, section 473.39, is amended by adding a subdivision to read:

Subd. 1r. **Obligations.** After July 1, 2012, in addition to other authority under this section, the council may issue certificates of indebtedness, bonds, or other obligations under this section in an amount not exceeding \$39,600,000 for capital expenditures as prescribed in the council's transit capital improvement program and for related costs, including the costs of issuance and sale of the obligations. Of this authorization, up to \$4,200,000 may be made available to fund capital projects in amounts that would have otherwise been funded using replacement transit service provider reserves that were reduced in 2012 as a result of Laws 2011, First Special Session chapter 3, article 1, section 4.

EFFECTIVE DATE; APPLICATION. This section is effective the day following final enactment, and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 56. Laws 2009, chapter 158, section 10, is amended to read:

Sec. 10. **EFFECTIVE DATE.**

Sections 2 and 3 are effective August 1, 2009, and the amendments made in sections 2 and 3 to Minnesota Statutes, sections 169.011 and 169.045, expire July 31, ~~2012~~ 2014.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 57. **LEGISLATIVE ROUTE NO. 227 REMOVED.**

(a) Minnesota Statutes, section 161.115, subdivision 158, is repealed effective the day after the commissioner of transportation receives a copy of the agreement between the commissioner and the governing body of Wadena County to transfer jurisdiction of Legislative Route No. 227 and notifies the revisor of statutes under paragraph (b).

(b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota Statutes when the commissioner of transportation sends notice to the revisor

electronically or in writing that the conditions required to transfer the route have been satisfied.

Sec. 58. **LEGISLATIVE ROUTE NO. 258 REMOVED.**

(a) Minnesota Statutes, section 161.115, subdivision 189, is repealed effective the day after the commissioner of transportation receives a copy of the agreement between the commissioner and the governing body of Brown County to transfer jurisdiction of Legislative Route No. 258 and notifies the revisor of statutes under paragraph (b).

(b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota Statutes when the commissioner of transportation sends notice to the revisor electronically or in writing that the conditions required to transfer the route have been satisfied.

Sec. 59. **LEGISLATIVE ROUTE NO. 291 REMOVED.**

(a) Minnesota Statutes, section 161.115, subdivision 222, is repealed effective the day after the commissioner of transportation receives a copy of the agreement between the commissioner and the governing body of the city of Hastings to transfer jurisdiction of Legislative Route No. 291 and notifies the revisor of statutes under paragraph (b).

(b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota Statutes when the commissioner of transportation sends notice to the revisor electronically or in writing that the conditions required to transfer the route have been satisfied.

Sec. 60. **I-94 NOISE IMPACTS STAKEHOLDER GROUP.**

(a) The commissioner of transportation shall establish a noise impacts stakeholder group in conjunction with all trunk highway projects on marked Interstate Highway 94, at or near the interchange with marked Trunk Highway 280 in St. Paul, for which preliminary engineering or preliminary design commences prior to January 1, 2018.

(b) At a minimum, membership of the stakeholder group consists of Department of Transportation project team representatives and interested community stakeholders.

(c) As part of the project development process for any project identified under paragraph (a), the commissioner shall consult with the stakeholder group to provide background information and data on noise impacts, review practices and evaluation options for noise mitigation, and obtain recommendations from the stakeholder group for noise mitigation components of the project design.

Sec. 61. **MUNICIPAL STATE-AID STREET FUND 2013 ALLOCATION.**

(a) Notwithstanding Minnesota Statutes, section 162.13, subdivision 1, the commissioner of transportation shall allocate the apportionment sum available in the municipal state-aid street fund, following the deductions under Minnesota Statutes, section 162.12, as provided in this section.

(b) The commissioner shall identify a remuneration sum for each city that:

(1) qualifies for municipal state-aid street funds under Minnesota Statutes, section 162.09, subdivision 4a; and

(2) was not allocated municipal state-aid street funds for calendar year 2012.

(c) The remuneration sum for each city equals the amount the city received under the allocation of municipal state-aid street funds for calendar year 2011.

(d) For the calendar year 2013 allocation only, the commissioner shall:

(1) allocate to the appropriate city an amount from the apportionment sum equal to the remuneration sum calculated in paragraph (c); and

(2) allocate the remaining apportionment sum as provided under Minnesota Statutes, section 162.13, subdivision 1.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 62. REPORTS ON USE OF CONSTRUCTION MANAGER/GENERAL CONTRACTOR METHOD.

Subdivision 1. **Submission of reports.** The commissioner shall report on experience with and evaluation of the construction manager/general contractor method of contracting authorized in Minnesota Statutes, sections 161.3207 to 161.3209. The reports must be submitted to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy or transportation finance and in compliance with Minnesota Statutes, sections 3.195 and 3.197. An interim report must be submitted no later than 12 months following the commissioner's acceptance of five construction manager/general contractor contracts. A final report must be submitted no later than 12 months following the commissioner's acceptance of ten construction manager/general contractor contracts.

Subd. 2. **Content of reports.** The reports must include: (1) a description of circumstances of any projects as to which construction manager/general contractor requests for qualifications or requests for proposals were solicited, followed by a cancellation of the solicitation; (2) a description of projects as to which construction manager/general contractor method was utilized; (3) a comparison of project cost estimates with final project costs, if available; and (4) evaluation of the construction manager/general contractor method of procurement with respect to implications for project cost, use of innovative techniques, completion time, and obtaining maximum value. The final report must also include recommendations as to continued use of the program and desired modifications to the program, and recommended legislation to continue, discontinue, or modify the program.

EFFECTIVE DATE. This section is effective the day following final enactment and expires one year following the acceptance of ten construction manager/general contractor contracts.

Sec. 63. REPORT ON WATER PERMITTING PROCESSES FOR TRANSPORTATION PROJECTS.

By January 15, 2013, the commissioners of transportation, natural resources, and the Pollution Control Agency, in consultation with local road authorities and the Board of Water and Soil Resources, shall submit recommendations to the house of representatives and senate committees and divisions with primary jurisdiction over environment and natural resources policy and finance and transportation policy and finance on how water-related permitting for transportation projects can best be streamlined through creation of a single point of issuance system. The recommendations shall:

(1) outline a single point of issuance system in which road authorities applying for state water permits would interact with a single state agency serving as the sole intermediary on behalf of all state agencies with an interest in a road authority's water permit application;

(2) provide a goal for the maximum number of days the state believes are necessary to issue final water permitting decisions;

(3) identify how state entities with current oversight authority over water permitting decisions would allocate resources to accommodate a single point of issuance system; and

(4) suggest strategies to enhance the coordination of federal and state water permitting information gathering and decision-making.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 64. **REVISOR'S INSTRUCTION.**

The revisor of statutes shall renumber the provisions of Minnesota Statutes listed in column A to the references listed in column B. The revisor shall also make necessary cross-reference changes in Minnesota Statutes consistent with the renumbering.

<u>Column A</u>	<u>Column B</u>
<u>169.011, subdivision 83</u>	<u>168B.011, subdivision 12a</u>
<u>169.041</u>	<u>168B.035</u>
<u>169.64, subdivision 5</u>	<u>168B.16</u>
<u>169.86, subdivision 8</u>	<u>168B.15</u>
<u>465.75</u>	<u>168B.14</u>
<u>514.18, subdivision 1a</u>	<u>168B.045</u>

Sec. 65. **RULES REPEALER.**

Minnesota Rules, parts 8810.9000; 8810.9100; 8810.9200; 8810.9300; 8810.9400; 8810.9500; 8810.9600; and 8810.9700, are repealed.

Sec. 66. **EFFECTIVE DATE.**

Unless otherwise specified, this article is effective August 1, 2012.

ARTICLE 4

TRANSPORTATION POLICY

Section 1. Minnesota Statutes 2010, section 85.015, is amended by adding a subdivision to read:

Subd. 1d. **Bicycle use of trails.** The commissioner may not prohibit or otherwise restrict operation of an electric-assisted bicycle, as defined in section 169.011, subdivision 27, on any trail under this section for which bicycle use is permitted, unless the commissioner determines that operation of the electric-assisted bicycle is not consistent

with (1) the safety or general welfare of trail users; or (2) the terms of any property conveyance.

Sec. 2. Minnesota Statutes 2010, section 85.018, subdivision 2, is amended to read:

Subd. 2. **Authority of local government.** (a) A local government unit that receives state grants-in-aid for any trail, with the concurrence of the commissioner, and the landowner or land lessee, may:

(1) designate the trail for use by snowmobiles or for nonmotorized use from December 1 to April 1 of any year; and

(2) issue any permit required under subdivisions 3 to 5.

(b) A local government unit that receives state grants-in-aid under section 84.794, subdivision 2, 84.803, subdivision 2, or 84.927, subdivision 2, for any trail, with the concurrence of the commissioner, and landowner or land lessee, may:

(1) designate the trail specifically for use at various times of the year by all-terrain or off-road vehicles or off-highway motorcycles, for nonmotorized use such as ski touring, snowshoeing, and hiking, and for multiple use, but not for motorized and nonmotorized use at the same time; and

(2) issue any permit required under subdivisions 3 to 5.

(c) A local unit of government that receives state grants-in-aid for any trail, with the concurrence of the commissioner and landowner or land lessee, may designate certain trails for joint use by snowmobiles, off-highway motorcycles, all-terrain vehicles, and off-road vehicles.

(d) A local unit of government may not prohibit or otherwise restrict operation of an electric-assisted bicycle, as defined in section 169.011, subdivision 27, on any trail under this section designated for bicycle use or nonmotorized use that includes bicycles, unless the local unit of government determines that operation of the electric-assisted bicycle is not consistent with (1) the safety or general welfare of trail users; or (2) the terms of any property conveyance.

Sec. 3. Minnesota Statutes 2010, section 85.018, subdivision 4, is amended to read:

Subd. 4. **Nonmotorized use trails.** No motorized vehicle shall be operated on a trail designated for nonmotorized use. This subdivision does not apply to (1) motorized wheelchairs or other motorized devices operated by an individual who is physically disabled; or (2) electric-assisted bicycles, as defined in section 169.011, subdivision 27.

Sec. 4. Minnesota Statutes 2010, section 160.263, subdivision 2, is amended to read:

Subd. 2. **Powers of political subdivisions.** (a) The governing body of any political subdivision may by ordinance or resolution:

(1) designate any roadway or shoulder or portion thereof under its jurisdiction as a bicycle lane or bicycle route;

(2) designate any sidewalk or portion thereof under its jurisdiction as a bicycle path provided that the designation does not destroy a pedestrian way or pedestrian access;

(3) develop and designate bicycle paths;

(4) designate as bikeways all bicycle lanes, bicycle routes, and bicycle paths.

(b) A governing body may not prohibit or otherwise restrict operation of an electric-assisted bicycle, as defined in section 169.011, subdivision 27, on any bikeway, roadway, or shoulder, unless the governing body determines that operation of the electric-assisted bicycle is not consistent with (1) the safety or general welfare of bikeway, roadway, or shoulder users; or (2) the terms of any property conveyance.

Sec. 5. **[160.266] MISSISSIPPI RIVER TRAIL.**

Subdivision 1. **Definitions.** For the purposes of this section:

(1) "bicycle path" has the meaning given in section 169.011, subdivision 6; and

(2) "bikeway" has the meaning given in section 169.011, subdivision 9.

Subd. 2. **Creation.** The commissioner, in cooperation with road and trail authorities including the commissioner of natural resources, shall identify a bikeway that originates at Itasca State Park in Clearwater, Beltrami, and Hubbard Counties, then generally parallels the Mississippi River through the cities of Bemidji in Beltrami County, Grand Rapids in Itasca County, Brainerd in Crow Wing County, Little Falls in Morrison County, Sauk Rapids in Benton County, St. Cloud in Stearns County, Minneapolis in Hennepin County, St. Paul in Ramsey County, Hastings in Dakota County, Red Wing in Goodhue County, Wabasha in Wabasha County, Winona in Winona County, and La Crescent in Houston County to Minnesota's boundary with Iowa and there terminates. Where opportunities exist, the bikeway may be designated on both sides of the Mississippi River.

Subd. 3. **Connections with other bikeways.** (a) The commissioner, in cooperation with road and trail authorities including the commissioner of natural resources, shall:

(1) identify existing bikeways of regional significance that are in reasonable proximity but not connected to the bikeway established in this section, including but not limited to the Lake Wobegon Trail in the counties of Stearns and Todd; and

(2) support development of linkages between bikeways identified under clause (1) and the bikeway established in this section.

(b) The requirements of this subdivision are a secondary priority for use of funds available under this section following establishment and enhancement of the bikeway under subdivision 1.

Subd. 4. **Cooperation with other entities.** The commissioner may contract and enter into agreements with federal agencies, other state agencies, local governments, and private entities to establish, develop, maintain, and operate the bikeway and to interpret associated natural and cultural resources.

Subd. 5. **Funding.** Bicycle paths included within the bikeway and not administered by the commissioner of natural resources are eligible for funding from the environment and natural resources trust fund under chapter 116P, from the parks and trails grant program under section 85.535, from the local recreation grants program under section 85.019, subdivision 4b, and from other sources.

Sec. 6. Minnesota Statutes 2010, section 161.14, subdivision 66, is amended to read:

Subd. 66. **Veterans Memorial Highway.** ~~Legislative Route No. 31, signed as~~ Trunk Highway marked 200 as of July 1, 2010, from the border with North Dakota to the

city of Mahanomen, is designated as the "Veterans Memorial Highway." The commissioner shall adopt a suitable design to mark this highway and erect appropriate signs, subject to section 161.139.

Sec. 7. Minnesota Statutes 2010, section 161.14, is amended by adding a subdivision to read:

Subd. 71. **Arianna Celeste Macnamara Memorial Bridge.** The pedestrian bridge over Route No. 7, signed as Trunk Highway 14 on the effective date of this section, located in the city of Rochester west of Route No. 20, signed as U.S. Highway 52 on the effective date of this section, is designated as "Arianna Celeste Macnamara Memorial Bridge." Subject to section 161.139, the commissioner shall adopt a suitable marking design to memorialize the bridge and shall erect the appropriate signs as close as practicable to the bridge.

Sec. 8. Minnesota Statutes 2010, section 161.14, is amended by adding a subdivision to read:

Subd. 72. **Deputy John W. Liebenstein Memorial Highway.** (a) That segment of Route No. 390, signed as Interstate Highway 35 on the effective date of this section and located in Rice County, is designated as "Deputy John W. Liebenstein Memorial Highway." Subject to section 161.139, the commissioner shall adopt a suitable marking design to mark this highway and shall erect the appropriate signs as provided in paragraph (b).

(b) The commissioner of transportation shall erect suitable signs on marked Interstate Highway 35 as close as practicable to the following locations:

(1) one sign on the southbound entrance ramp of the interchange with Rice County State-Aid Highway 1; and

(2) one sign on the northbound entrance ramp of the interchange with Rice County State-Aid Highway 1.

Sec. 9. Minnesota Statutes 2010, section 162.081, subdivision 4, is amended to read:

Subd. 4. **Formula for distribution to towns; purposes.** (a) Money apportioned to a county from the town road account must be distributed to the treasurer of each town within the county, according to a distribution formula adopted by the county board. The formula must take into account each town's levy for road and bridge purposes, its population and town road mileage, and other factors the county board deems advisable in the interests of achieving equity among the towns. Distribution of town road funds to each town treasurer must be made by March 1, annually, or within 30 days after receipt of payment from the commissioner. Distribution of funds to town treasurers in a county which has not adopted a distribution formula under this subdivision must be made according to a formula prescribed by the commissioner by rule. ~~A formula adopted by a county board or by the commissioner must provide that a town, in order to be eligible for distribution of funds from the town road account in a calendar year, must have levied for taxes payable in the previous year for road and bridge purposes at least 0.04835 percent of taxable market value. For purposes of this eligibility requirement, taxable market value means taxable market value for taxes payable two years prior to the aid distribution year.~~

(b) Money distributed to a town under this subdivision may be expended by the town only for the construction, reconstruction, and gravel maintenance of town roads within the town.

Sec. 10. Minnesota Statutes 2010, section 168.012, subdivision 1, is amended to read:

Subdivision 1. **Vehicles exempt from tax, fees, or plate display.** (a) The following vehicles are exempt from the provisions of this chapter requiring payment of tax and registration fees, except as provided in subdivision 1c:

(1) vehicles owned and used solely in the transaction of official business by the federal government, the state, or any political subdivision;

(2) vehicles owned and used exclusively by educational institutions and used solely in the transportation of pupils to and from those institutions;

(3) vehicles used solely in driver education programs at nonpublic high schools;

(4) vehicles owned by nonprofit charities and used exclusively to transport disabled persons for charitable, religious, or educational purposes;

(5) vehicles owned by nonprofit charities and used exclusively for disaster response and related activities;

(6) vehicles owned by ambulance services licensed under section 144E.10 that are equipped and specifically intended for emergency response or providing ambulance services; and

(7) vehicles owned by a commercial driving school licensed under section 171.34, or an employee of a commercial driving school licensed under section 171.34, and the vehicle is used exclusively for driver education and training.

(b) Provided the general appearance of the vehicle is unmistakable, the following vehicles are not required to register or display number plates:

(1) vehicles owned by the federal government;

(2) fire apparatuses, including fire-suppression support vehicles, owned or leased by the state or a political subdivision;

(3) police patrols owned or leased by the state or a political subdivision; and

(4) ambulances owned or leased by the state or a political subdivision.

(c) Unmarked vehicles used in general police work, liquor investigations, or arson investigations, and passenger automobiles, pickup trucks, and buses owned or operated by the Department of Corrections or by conservation officers of the Division of Enforcement and Field Service of the Department of Natural Resources, must be registered and must display appropriate license number plates, furnished by the registrar at cost. Original and renewal applications for these license plates authorized for use in general police work and for use by the Department of Corrections or by conservation officers must be accompanied by a certification signed by the appropriate chief of police if issued to a police vehicle, the appropriate sheriff if issued to a sheriff's vehicle, the commissioner of corrections if issued to a Department of Corrections vehicle, or the appropriate officer in charge if issued to a vehicle of any other law enforcement agency. The certification must be on a form prescribed by the commissioner and state that the vehicle will be used exclusively for a purpose authorized by this section.

(d) Unmarked vehicles used by the Departments of Revenue and Labor and Industry, fraud unit, in conducting seizures or criminal investigations must be registered and must display passenger vehicle classification license number plates, furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates

must be accompanied by a certification signed by the commissioner of revenue or the commissioner of labor and industry. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the purposes authorized by this section.

(e) Unmarked vehicles used by the Division of Disease Prevention and Control of the Department of Health must be registered and must display passenger vehicle classification license number plates. These plates must be furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the commissioner of health. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the official duties of the Division of Disease Prevention and Control.

(f) Unmarked vehicles used by staff of the Gambling Control Board in gambling investigations and reviews must be registered and must display passenger vehicle classification license number plates. These plates must be furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the board chair. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the official duties of the Gambling Control Board.

(g) Unmarked vehicles used in general investigation, surveillance, supervision, and monitoring by the staff of the Department of Human Services Office of Special Investigations and the executive director of the Minnesota sex offender program must be registered and must display passenger vehicle classification license number plates, furnished by the registrar at cost. Original and renewal applications for passenger vehicle license plates must be accompanied by a certification signed by the commissioner of human services. The certification must be on a form prescribed by the commissioner and state that the vehicles must be used exclusively for the official duties of the Office of Special Investigations and the executive director of the Minnesota sex offender program.

(h) Each state hospital and institution for persons who are mentally ill and developmentally disabled may have one vehicle without the required identification on the sides of the vehicle. The vehicle must be registered and must display passenger vehicle classification license number plates. These plates must be furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the hospital administrator. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the official duties of the state hospital or institution.

(i) Each county social service agency may have vehicles used for child and vulnerable adult protective services without the required identification on the sides of the vehicle. The vehicles must be registered and must display passenger vehicle classification license number plates. These plates must be furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the agency administrator. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the official duties of the social service agency.

(j) All other motor vehicles must be registered and display tax-exempt number plates, furnished by the registrar at cost, except as provided in subdivision 1c. All vehicles required to display tax-exempt number plates must have the name of the state department or political subdivision, nonpublic high school operating a driver education

program, licensed commercial driving school, or other qualifying organization or entity, plainly displayed on both sides of the vehicle. This identification must be in a color giving contrast with that of the part of the vehicle on which it is placed and must endure throughout the term of the registration. The identification must not be on a removable plate or placard and must be kept clean and visible at all times; except that a removable plate or placard may be utilized on vehicles leased or loaned to a political subdivision or to a nonpublic high school driver education program.

Sec. 11. Minnesota Statutes 2010, section 168.013, subdivision 1e, is amended to read:

Subd. 1e. **Truck; tractor; combination; exceptions.** (a) On trucks and tractors except those in this chapter defined as farm trucks, on truck-tractor and semitrailer combinations except those defined as farm combinations, and on commercial zone vehicles, the tax based on total gross weight shall be graduated according to the Minnesota base rate schedule prescribed in this subdivision, but in no event less than \$120.

Minnesota Base Rate Schedule

Scheduled taxes include five percent
surtax provided for in subdivision 14

	TOTAL GROSS WEIGHT IN POUNDS			TAX
A	0	-	1,500	\$ 15
B	1,501	-	3,000	20
C	3,001	-	4,500	25
D	4,501	-	6,000	35
E	6,001	-	10,000	45
F	10,001	-	12,000	70
G	12,001	-	15,000	105
H	15,001	-	18,000	145
I	18,001	-	21,000	190
J	21,001	-	26,000	270
K	26,001	-	33,000	360
L	33,001	-	39,000	475
M	39,001	-	45,000	595
N	45,001	-	51,000	715
O	51,001	-	57,000	865
P	57,001	-	63,000	1015
Q	63,001	-	69,000	1185
R	69,001	-	73,280	1325
S	73,281	-	78,000	1595
T	78,001	-	80,000	1760

(b) For purposes of the Minnesota base rate schedule, for vehicles with six or more axles in the "S" and "T" categories, the base rates are \$1,520 and \$1,620 respectively.

(c) For each vehicle with a gross weight in excess of 80,000 pounds an additional tax of \$50 is imposed for each ton or fraction thereof in excess of 80,000 pounds, subject to subdivision 12 or section 169.86, subdivision 5a, as applicable.

(d) For purposes of registration identification, for vehicles registered in the "O" category, the owner must declare at the time of registration whether the vehicle will carry a weight of 55,000 pounds or more and therefore be subject to the federal heavy vehicle use tax. For those owners who declare a weight less than 55,000 pounds, a distinctive weight sticker must be issued and the owner is restricted to a gross vehicle weight of less than 55,000 pounds.

(e) Truck-tractors except those herein defined as farm and commercial zone vehicles shall be taxed in accord with the foregoing gross weight tax schedule on the basis of the combined gross weight of the truck-tractor and any semitrailer or semitrailers which the applicant proposes to combine with the truck-tractor.

(f) Commercial zone trucks include only trucks, truck-tractors, and semitrailer combinations which are operated by an interstate carrier registered under section 221.60, or by a carrier receiving operating authority under chapter 221, and operated solely within a zone exempt from regulation pursuant to United States Code, title 49, section 13506.

(g) The license plates issued for commercial zone vehicles shall be plainly marked. A person operating a commercial zone vehicle outside the zone or area in which its operation is authorized is guilty of a misdemeanor and, in addition to the misdemeanor penalty, the registrar shall revoke the registration of the vehicle as a commercial zone vehicle and shall require that the vehicle be registered at 100 percent of the full annual tax prescribed in the Minnesota base rate schedule, and no part of this tax may be refunded during the balance of the registration year.

(h) On commercial zone trucks the tax shall be based on the total gross weight of the vehicle and during each of the first eight years of vehicle life is 75 percent of the Minnesota base rate schedule. During the ninth and succeeding years of vehicle life the tax is 50 percent of the Minnesota base rate schedule.

(i) On trucks, truck-tractors and semitrailer combinations, except those defined as farm trucks and farm combinations, and except for those commercial zone vehicles specifically provided for in this subdivision, the tax for each of the first eight years of vehicle life is 100 percent of the tax imposed in the Minnesota base rate schedule, and during the ninth and succeeding years of vehicle life, the tax is 75 percent of the Minnesota base rate prescribed by this subdivision.

(j) For the purpose of registration, trailers coupled with a truck-tractor, semitrailer combination are semitrailers.

EFFECTIVE DATE. This section is effective October 1, 2012, and applies to all registrations that are effective on or after that date and special permits issued on or after that date.

Sec. 12. Minnesota Statutes 2010, section 168.013, subdivision 3, is amended to read:

Subd. 3. **Application; cancellation; excessive gross weight forbidden.** (a) The applicant for all licenses based on gross weight shall state the unloaded weight of the

motor vehicle, trailer, or semitrailer and the maximum load the applicant proposes to carry on it, the sum of which constitutes the gross weight upon which the license tax must be paid. However, the declared gross weight upon which the tax is paid must not be less than 1-1/4 times the declared unloaded weight of the motor vehicle, trailer, or semitrailer to be registered, except recreational vehicles taxed under subdivision 1g, school buses taxed under subdivision 18, and tow trucks or towing vehicles defined in section 169.011, subdivision 83. The gross weight of a tow truck or towing vehicle is the actual weight of the tow truck or towing vehicle fully equipped, but does not include the weight of a wrecked or disabled vehicle towed or drawn by the tow truck or towing vehicle.

(b) Except as provided by special permit issued under section 169.86, the gross weight of a motor vehicle, trailer, or semitrailer must not exceed the gross weight upon which the license tax has been paid by more than four percent or 1,000 pounds, whichever is greater; provided that, a vehicle transporting unfinished forest products on a highway, other than a highway that is part of the system of interstate and defense highways, unless a federal exemption is granted, in accordance with paragraph (d)(3):

(1) shall not exceed its gross vehicle weight upon which the license tax has been paid, or gross axle weight on any axle, by more than five percent and, notwithstanding other law to the contrary, is not subject to any fee, fine, or other assessment or penalty for exceeding a gross vehicle or axle weight by up to five percent; and

(2) between the dates set by the commissioner in accordance with section 169.826, subdivision 1, is not subject to any provision of paragraph (d) or chapter 169 limiting the gross axle weight of any individual axle unless the entire vehicle also exceeds its gross vehicle weight plus its weight allowance allowed in clause (1) and plus any weight allowance permitted under section 169.826, in which case the vehicle is subject to all applicable penalties for excess weight violations.

(c) The gross weight of the motor vehicle, trailer, or semitrailer for which the license tax is paid must be indicated by a distinctive character on the license plate or plates except as provided in subdivision 12 or section 169.86, subdivision 5a, as applicable, and the plate or plates must be kept clean and clearly visible at all times.

(d) The owner, driver, or user of a motor vehicle, trailer, or semitrailer, upon conviction for transporting a gross weight in excess of the gross weight for which it was registered or for operating a vehicle with an axle weight exceeding the maximum lawful axle load weight, is guilty of a misdemeanor and subject to increased registration or reregistration according to the following schedule:

(1) Upon conviction for transporting a gross weight in excess of the gross weight for which a motor vehicle, trailer, or semitrailer is registered by more than the allowance set forth in paragraph (b) but less than 25 percent, or for operating or using a motor vehicle, trailer, or semitrailer with an axle weight exceeding the maximum lawful axle load as provided in sections 169.822 to 169.829 by more than the allowance set forth in paragraph (b) but less than 25 percent, the owner, driver, or user of the motor vehicle, trailer, or semitrailer used to commit the violation, in addition to any penalty imposed for the misdemeanor, shall apply to the registrar to increase the authorized gross weight to be carried on the vehicle to a weight equal to or greater than the gross weight the owner, driver, or user was convicted of carrying. The increase is computed for the balance of the calendar year on the basis of 1/12 of the annual tax for each month remaining in the calendar year beginning with the first day of the month in which the violation occurred. If the additional registration tax computed upon that weight, plus the tax already paid,

amounts to more than the regular tax for the maximum gross weight permitted for the vehicle under sections 169.822 to 169.829, that additional amount must nevertheless be paid into the highway fund, but the additional tax thus paid does not authorize or permit any person to operate the vehicle with a gross weight in excess of the maximum legal weight as provided by sections 169.822 to 169.829. Unless the owner within 30 days after a conviction applies to increase the authorized weight and pays the additional tax as provided in this section, the registrar shall revoke the registration on the vehicle and demand the return of the registration card and plates issued on that registration.

(2) Upon conviction of an owner, driver, or user of a motor vehicle, trailer, or semitrailer for transporting a gross weight in excess of the gross weight for which the motor vehicle, trailer, or semitrailer was registered by 25 percent or more or for operating or using the vehicle or trailer with an axle weight exceeding the maximum lawful axle load as provided in sections 169.822 to 169.829 by 25 percent or more, and in addition to any penalty imposed for the misdemeanor, the registrar shall either (i) cancel the reciprocity privileges on the vehicle involved if the vehicle is being operated under reciprocity or (ii) if the vehicle is not being operated under reciprocity, cancel the certificate of registration on the vehicle operated and demand the return of the registration certificate and registration plates. The registrar may not cancel the registration or reciprocity privileges for any vehicle found in violation of seasonal load restrictions imposed under section 169.87 unless the axle weight exceeds the year-round weight limit for the highway on which the violation occurred. The registrar may investigate any allegation of gross weight violations and demand that the operator show cause why all future operating privileges in the state should not be revoked unless the additional tax assessed is paid.

(3) Clause (1) does not apply to the first haul of unprocessed or raw farm products or unfinished forest products, when the registered gross weight is not exceeded by more than ten percent. For purposes of this clause, "first haul" means (i) the first, continuous transportation of unprocessed or raw farm products from the place of production or on-farm storage site to any other location within ~~50~~ 100 miles of the place of production or on-farm storage site, or (ii) the continuous or noncontinuous transportation of unfinished forest products from the place of production to the place of final processing or manufacture located within 200 miles of the place of production.

(4) When the registration on a motor vehicle, trailer, or semitrailer is revoked by the registrar according to this section, the vehicle must not be operated on the highways of the state until it is registered or reregistered, as the case may be, and new plates issued, and the registration fee is the annual tax for the total gross weight of the vehicle at the time of violation. The reregistration pursuant to this subdivision of any vehicle operating under reciprocity agreements pursuant to section 168.181 or 168.187 must be at the full annual registration fee without regard to the percentage of vehicle miles traveled in this state.

EFFECTIVE DATE. This section is effective October 1, 2012, and applies to all registrations that are effective on or after that date and special permits issued on or after that date.

Sec. 13. Minnesota Statutes 2010, section 168.013, subdivision 12, is amended to read:

Subd. 12. **Additional tax for excessive gross weight.** (a) Whenever an owner has registered a vehicle and paid the tax as provided in subdivisions 1 to 1g, on the basis of a selected gross weight of the vehicle and thereafter such owner desires to operate such vehicle with a greater gross weight than that for which the tax has been paid, such owner

shall be permitted to reregister such vehicle by paying the additional tax due thereon for the remainder of the calendar year for which such vehicle has been reregistered, the additional tax computed pro rata by the month, 1/12 of the annual tax due for each month of the year remaining in the calendar year, beginning with the first day of the month in which such owner desires to operate the vehicle with the greater weight. In computing the additional tax as aforesaid, the owner shall be given credit for the unused portion of the tax previously paid computed pro rata by the month, 1/12 of the annual tax paid for each month of the year remaining in the calendar year beginning with the first day of the month in which such owner desires to operate the vehicle with the greater weight. An owner will be permitted one reduction of gross weight or change of registration per year, which will result in a refund. This refund will be prorated monthly beginning with the first day of the month after such owner applies to amend the registration. The application for amendment shall be accompanied by a fee of \$3, and all fees shall be deposited in the highway user tax distribution fund. Provided, however, the owner of a vehicle may reregister the vehicle for a weight of more than 81,000 pounds for one or more 30-day periods. For each 30-day period, the additional tax shall be equal to 1/12 of the difference between the annual tax for the weight at which the vehicle is registered and reregistered. ~~When a vehicle is reregistered in accordance with this provision, a distinctive windshield sticker provided by the commissioner of public safety shall be permanently displayed.~~

(b) This subdivision does not apply to the owner of a vehicle who pays the additional tax for excessive gross weight under section 169.86, subdivision 5a, when buying a permit to operate with the greater gross weight.

EFFECTIVE DATE. This section is effective with the registration period beginning October 1, 2012, and applies to all registrations that are effective on or after that date and special permits issued on or after that date.

Sec. 14. Minnesota Statutes 2010, section 168B.011, subdivision 12, is amended to read:

Subd. 12. **Public impound lot.** "Public impound lot" means an impound lot owned by or ~~contracting with~~ exclusively contracted solely for public use by a unit of government under section 168B.09.

Sec. 15. Minnesota Statutes 2010, section 169.035, subdivision 1, is amended to read:

Subdivision 1. **Working on highway.** (a) The provisions of this chapter shall not apply to persons, motor vehicles, and other equipment while actually engaged in work upon the highway, except as provided in paragraphs (b) and (c).

(b) This chapter shall apply to those persons and vehicles when traveling to or from such work, except that persons operating equipment owned, rented or hired by road authorities shall be exempt from the width, height and length provisions of sections 169.80 and 169.81 and shall be exempt from the weight limitations of this chapter while performing the following actions on behalf of the state or a local governmental unit:

(1) while loading, rearding, or moving the vehicles or equipment in preparation for combating anticipated slippery road conditions or removing snow or ice;

(2) while actually engaged in snow or ice removal ~~and~~ or combating slippery road conditions, including but not limited to pretreatment and anti-icing activities; or

(3) while engaged in flood control operations ~~on behalf of the state or a local governmental unit.~~

(c) Chapter 169A and section 169.444 apply to persons while actually engaged in work upon the highway.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 16. Minnesota Statutes 2010, section 169.035, is amended by adding a subdivision to read:

Subd. 4. **Trains.** (a) For purposes of this subdivision, "railroad operator" means a person who is a locomotive engineer, conductor, member of the crew of a railroad locomotive or train, or an operator of on-track equipment.

(b) A peace officer may not issue a citation for violation of this chapter or chapter 171 to a railroad operator involving the operation of a railroad locomotive or train, or on-track equipment while being operated upon rails.

(c) Notwithstanding section 171.08, a railroad operator is not required to display or furnish a driver's license to a peace officer in connection with the operation of a railroad locomotive or train, or on-track equipment while being operated upon rails.

Sec. 17. Minnesota Statutes 2010, section 169.06, subdivision 5, is amended to read:

Subd. 5. **Traffic-control signal.** (a) Whenever traffic is controlled by traffic-control signals exhibiting different colored lights, or colored lighted arrows, successively one at a time or in combination, only the colors Green, Red, and Yellow shall be used, except for special pedestrian signals carrying a word or legend. The traffic-control signal lights or colored lighted arrows indicate and apply to drivers of vehicles and pedestrians as follows:

(1) Green indication:

(i) Vehicular traffic facing a circular green signal may proceed straight through or turn right or left unless a sign ~~at such place~~ prohibits either turn. But vehicular traffic, including vehicles turning right or left, shall yield the right-of-way to other vehicles and to pedestrians lawfully within the intersection or adjacent crosswalk at the time this signal is exhibited. Vehicular traffic turning left or making a U-turn to the left shall yield the right-of-way to other vehicles approaching from the opposite direction so closely as to constitute an immediate hazard.

(ii) Vehicular traffic facing a green arrow signal, shown alone or in combination with another indication, may cautiously enter the intersection only to make the movement indicated by the arrow, or other movement as permitted by other indications shown at the same time. ~~Such~~ Vehicular traffic shall yield the right-of-way to pedestrians lawfully within an adjacent crosswalk and to other traffic lawfully using the intersection.

(iii) Unless otherwise directed by a pedestrian-control signal as provided in subdivision 6, pedestrians facing any green signal, except when the sole green signal is a turn arrow, may proceed across the roadway within any marked or unmarked crosswalk. Every driver of a vehicle shall yield the right-of-way to such pedestrian, except that the pedestrian shall yield the right-of-way to vehicles lawfully within the intersection at the time that the green signal indication is first shown.

(2) Steady yellow indication:

(i) Vehicular traffic facing a steady circular yellow or yellow arrow signal is thereby warned that the related green movement is being terminated or that a red indication will be exhibited immediately thereafter when vehicular traffic must not enter the intersection, except for the continued movement allowed by any green arrow indication simultaneously exhibited.

(ii) Pedestrians facing a circular yellow signal, unless otherwise directed by a pedestrian-control signal as provided in subdivision 6, are thereby advised that there is insufficient time to cross the roadway before a red indication is shown and no pedestrian shall then start to cross the roadway.

(3) Steady red indication:

(i) Vehicular traffic facing a circular red signal alone must stop at a clearly marked stop line but, if none, before entering the crosswalk on the near side of the intersection or, if none, then before entering the intersection and shall remain standing until a green indication is shown, except as follows: (A) the driver of a vehicle stopped as close as practicable at the entrance to the crosswalk on the near side of the intersection or, if none, then at the entrance to the intersection in obedience to a red or stop signal, and with the intention of making a right turn may make the right turn, after stopping, unless an official sign has been erected prohibiting such movement, but shall yield the right-of-way to pedestrians and other traffic lawfully proceeding as directed by the signal at that intersection; or (B) the driver of a vehicle on a one-way street intersecting another one-way street on which traffic moves to the left shall stop in obedience to a red or stop signal and may then make a left turn into the one-way street, unless an official sign has been erected prohibiting the movement, but shall yield the right-of-way to pedestrians and other traffic lawfully proceeding as directed by the signal at that intersection.

(ii) Unless otherwise directed by a pedestrian-control signal as provided in subdivision 6, pedestrians facing a steady red signal alone shall not enter the roadway.

(iii) Vehicular traffic facing a steady red arrow signal, with the intention of making a movement indicated by the arrow, must stop at a clearly marked stop line but, if none, before entering the crosswalk on the near side of the intersection or, if none, then before entering the intersection and must remain standing until a permissive signal indication permitting the movement indicated by the red arrow is displayed, except as follows: when an official sign has been erected permitting a turn on a red arrow signal, the vehicular traffic facing a red arrow signal indication is permitted to enter the intersection to turn right, or to turn left from a one-way street into a one-way street on which traffic moves to the left, after stopping, but must yield the right-of-way to pedestrians and other traffic lawfully proceeding as directed by the signal at that intersection.

(b) In the event an official traffic-control signal is erected and maintained at a place other than an intersection, the provisions of this section are applicable except those which can have no application. Any stop required must be made at a sign or marking on the pavement indicating where the stop must be made, but in the absence of any such sign or marking the stop must be made at the signal.

(c) When a traffic-control signal indication or indications placed to control a certain movement or lane are so identified by placing a sign near the indication or indications, no other traffic-control signal indication or indications within the intersection controls vehicular traffic for that movement or lane.

Sec. 18. Minnesota Statutes 2010, section 169.06, subdivision 7, is amended to read:

Subd. 7. **Flashing signal.** When flashing red or yellow signals are used they shall require obedience by vehicular traffic as follows:

(a) When a circular red lens is illuminated with rapid intermittent flashes, drivers of vehicles shall stop at a clearly marked stop line, but if none, before entering the crosswalk on the near side of the intersection, or if none, then at the point nearest the intersecting roadway where the driver has a view of approaching traffic on the intersecting roadway before entering the intersection, and the right to proceed shall be subject to the rules applicable after making a stop at a stop sign.

(b) When a red arrow lens is illuminated with rapid intermittent flashes drivers of vehicles with the intention of making a movement indicated by the arrow shall stop at a clearly marked stop line, but if none, before entering the crosswalk on the near side of the intersection, or if none, then at the point nearest the intersecting roadway where the driver has a view of approaching traffic on the intersecting roadway before entering the intersection, and the right to proceed shall be subject to the rules applicable after making a stop at a stop sign.

(c) When a circular yellow lens is illuminated with rapid intermittent flashes, drivers of vehicles may proceed through the intersection or past the signals only with caution. Vehicular traffic, including vehicles turning right or left, shall yield the right-of-way to other vehicles and to pedestrians lawfully within the intersection or adjacent crosswalk at the time this signal is exhibited. Vehicular traffic turning left or making a U-turn to the left shall yield the right-of-way to other vehicles approaching from the opposite direction so closely as to constitute an immediate hazard.

(d) When a yellow arrow indication is illuminated with rapid intermittent flashes, drivers of vehicles with the intention of making a movement indicated by the arrow may proceed through the intersection or past the signals only with caution, but shall yield the right-of-way to other vehicles and to pedestrians lawfully within the intersection or adjacent crosswalk at the time this signal is exhibited. Vehicular traffic turning left or making a U-turn to the left shall yield the right-of-way to other vehicles approaching from the opposite direction so closely as to constitute an immediate hazard.

Sec. 19. Minnesota Statutes 2010, section 169.19, subdivision 5, is amended to read:

Subd. 5. **Signal to turn.** A signal of intention to turn right or left shall be given continuously during not less than the last 100 feet traveled by the vehicle before turning. A person whose vehicle is exiting a roundabout is exempt from this subdivision.

Sec. 20. Minnesota Statutes 2010, section 169.222, subdivision 4, is amended to read:

Subd. 4. **Riding ~~on roadway or shoulder~~ rules.** (a) Every person operating a bicycle upon a roadway shall ride as close as practicable to the right-hand curb or edge of the roadway except under any of the following situations:

- (1) when overtaking and passing another vehicle proceeding in the same direction;
- (2) when preparing for a left turn at an intersection or into a private road or driveway;
- (3) when reasonably necessary to avoid conditions, including fixed or moving objects, vehicles, pedestrians, animals, surface hazards, or narrow width lanes, that make it unsafe to continue along the right-hand curb or edge.

(b) If a bicycle is traveling on a shoulder of a roadway, the bicycle shall travel in the same direction as adjacent vehicular traffic.

(c) Persons riding bicycles upon a roadway or shoulder shall not ride more than two abreast and shall not impede the normal and reasonable movement of traffic and, on a laned roadway, shall ride within a single lane.

(d) A person operating a bicycle upon a sidewalk, or across a roadway or shoulder on a crosswalk, shall yield the right-of-way to any pedestrian and shall give an audible signal when necessary before overtaking and passing any pedestrian. No person shall ride a bicycle upon a sidewalk within a business district unless permitted by local authorities. Local authorities may prohibit the operation of bicycles on any sidewalk or crosswalk under their jurisdiction.

(e) An individual operating a bicycle or other vehicle on a bikeway shall leave a safe distance when overtaking a bicycle or individual proceeding in the same direction on the bikeway, and shall maintain clearance until safely past the overtaken bicycle or individual.

(f) A person lawfully operating a bicycle on a sidewalk, or across a roadway or shoulder on a crosswalk, shall have all the rights and duties applicable to a pedestrian under the same circumstances.

(g) A person may operate an electric-assisted bicycle on the shoulder of a roadway, on a bikeway, or on a bicycle trail if not otherwise prohibited under section 85.015, subdivision 1d; 85.018, subdivision 2, paragraph (d); or 160.263, subdivision 2, paragraph (b), as applicable.

Sec. 21. Minnesota Statutes 2010, section 169.306, is amended to read:

169.306 USE OF SHOULDERS BY BUSES.

(a) ~~The commissioner of transportation~~ A road authority, as defined in section 160.02, subdivision 25, is authorized to permit ~~the use by~~ transit buses and Metro Mobility buses use of a shoulder, as designated by the ~~commissioner~~ road authority, of a freeway or expressway, as defined in section 160.02, in Minnesota.

(b) If ~~the commissioner~~ a road authority permits the use of a freeway or expressway shoulder by transit buses, the ~~commissioner~~ road authority shall permit the use on that shoulder of a bus (1) with a seating capacity of 40 passengers or more operated by a motor carrier of passengers, as defined in section 221.012, subdivision 26, while operating in intrastate commerce or (2) providing regular route transit service, as defined in section 174.22, subdivision 8, or Metro Mobility services, and operated by or under contract with the Metropolitan Council, a local transit authority, or a transit authority created by the legislature. Drivers of these buses must have adequate training in the requirements of paragraph (c), as determined by the commissioner.

(c) Buses authorized to use the shoulder under this section may be operated on the shoulder only when main-line traffic speeds are less than 35 miles per hour, except as provided for in paragraph (f). Drivers of buses being operated on the shoulder may not exceed the speed of main-line traffic by more than 15 miles per hour and may never exceed 35 miles per hour, except as provided for in paragraph (f). Drivers of buses being operated on the shoulder must yield to merging, entering, and exiting traffic and must yield to other vehicles on the shoulder. Buses operated on the shoulder must be registered with the Department of Transportation.

(d) For the purposes of this section, the term "Metro Mobility bus" means a motor vehicle of not less than 20 feet in length engaged in providing special transportation services under section 473.386 that is:

(1) operated by or under contract with a public or private entity receiving financial assistance to provide transit services from the Metropolitan Council or the commissioner of transportation; and

(2) authorized by ~~the commissioner~~ a road authority to use freeway or expressway shoulders.

(e) This section does not apply to the operation of buses on dynamic shoulder lanes.

(f) The commissioner may authorize different operating conditions and maximum speeds, not to exceed the posted speed limit, based upon an engineering study and recommendation by the road authority. The engineering study must be conducted by the road authority and must conform with the manual and specifications adopted under section 169.06, subdivision 1, and applicable state and federal standards. The road authority shall consult the public transit operator before recommending operating conditions different from those authorized by law.

Sec. 22. Minnesota Statutes 2010, section 169.64, subdivision 2, is amended to read:

Subd. 2. **Colored light.** (a) Unless otherwise authorized by the commissioner of public safety, no vehicle shall be equipped, nor shall any person drive or move any vehicle or equipment upon any highway with any lamp or device displaying a red light or any colored light other than those required or permitted in this chapter.

(b) A vehicle manufactured for use as an emergency vehicle may display and use colored lights that are not otherwise required or permitted in this chapter, provided that the vehicle is owned and operated according to section 168.10, is owned and operated solely as a collector's item and not for general transportation purposes, and is registered under section 168.10, subdivision 1a, 1b, 1c, 1d, 1g, or 1h. A person may not activate the colored lights authorized under this paragraph on streets or highways except as part of a parade or other special event.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 23. Minnesota Statutes 2010, section 169.685, subdivision 6, is amended to read:

Subd. 6. **Exceptions.** (a) This section does not apply to:

(1) a person transporting a child in an emergency medical vehicle while in the performance of official duties and when the physical or medical needs of the child make the use of a child passenger restraint system unreasonable or when a child passenger restraint system is not available;

(2) a peace officer transporting a child while in the performance of official duties and when a child passenger restraint system is not available, provided that a seat belt must be substituted;

(3) a person while operating a motor vehicle for hire, including a taxi, airport limousine, and bus, but excluding a rented, leased, or borrowed motor vehicle; and

(4) a person while operating a school bus, ~~and~~ that has a gross vehicle weight rating of greater than 10,000 pounds.

~~(5) a person while operating a type III vehicle described in section 169.011, subdivision 71, paragraph (h), if the vehicle meets the seating and crash protection requirements of Federal Motor Vehicle Safety Standard 222, Code of Federal Regulations, title 49, part 571.~~

(b) A child passenger restraint system is not required for a child who cannot, in the judgment of a licensed physician, be safely transported in a child passenger restraint system because of a medical condition, body size, or physical disability. A motor vehicle operator claiming exemption for a child under this paragraph must possess a typewritten statement from the physician stating that the child cannot be safely transported in a child passenger restraint system. The statement must give the name and birth date of the child, be dated within the previous six months, and be made on the physician's letterhead or contain the physician's name, address, and telephone number. A person charged with violating subdivision 5 may not be convicted if the person produces the physician's statement in court or in the office of the arresting officer.

(c) A person offering a motor vehicle for rent or lease shall provide a child passenger restraint device to a customer renting or leasing the motor vehicle who requests the device. A reasonable rent or fee may be charged for use of the child passenger restraint device.

Sec. 24. Minnesota Statutes 2010, section 169.685, subdivision 7, is amended to read:

Subd. 7. **Appropriation; special account; legislative report.** The Minnesota child passenger restraint and education account is created in the state treasury, consisting of fines collected under subdivision 5 and other money appropriated or donated. The money in the account is annually appropriated to the commissioner of public safety, to be used to provide child passenger restraint systems to families in financial need ~~and~~ school districts and child care providers that provide for the transportation of pupils to and from school using type III vehicles or school buses with a gross vehicle weight rating of 10,000 pounds or less, and to provide an educational program on the need for and proper use of child passenger restraint systems. The commissioner shall report to the legislature by February 1 of each odd-numbered year on the commissioner's activities and expenditure of funds under this section.

Sec. 25. Minnesota Statutes 2010, section 169.85, subdivision 2, is amended to read:

Subd. 2. **Unloading.** (a) Upon weighing a vehicle and load, as provided in this section, an officer may require the driver to stop the vehicle in a suitable place and remain standing until a portion of the load is removed that is sufficient to reduce the gross weight of the vehicle to the limit permitted under either section 168.013, subdivision 3, paragraph (b), or sections 169.823 to 169.829, whichever is the lesser violation, if any. A suitable place is a location where loading or tampering with the load is not prohibited by federal, state, or local law, rule, or ordinance.

(b) Except as provided in paragraph (c), a driver may be required to unload a vehicle only if the weighing officer determines that (1) on routes subject to the provisions of sections 169.823 to 169.829, the weight on an axle exceeds the lawful gross weight prescribed by sections 169.823 to 169.829, by 2,000 pounds or more, or the weight on a group of two or more consecutive axles in cases where the distance between the centers of the first and last axles of the group under consideration is ten feet or less exceeds the lawful gross weight prescribed by sections 169.823 to 169.829, by 4,000 pounds or more; or (2) the weight is unlawful on an axle or group of consecutive axles on a road restricted

in accordance with section 169.87. Material unloaded must be cared for by the owner or driver of the vehicle at the risk of the owner or driver.

(c) ~~If The driver is not required to unload under paragraph (b) when the gross weight of the vehicle does not exceed:~~

~~(1) the sum of the vehicle's registered gross weight plus, the weight allowance set forth in section 168.013, subdivision 3, paragraph (b), and plus, if applicable, the weight allowance permitted under section 169.826, then the driver is not required to unload under paragraph (b); or~~

~~(2) the weight allowed by special permit issued under section 169.86 for a vehicle that is operated in conformity with the limitations and conditions of the permit.~~

EFFECTIVE DATE. This section is effective October 1, 2012, and applies to all registrations that are effective on or after that date and special permits issued on or after that date.

Sec. 26. Minnesota Statutes 2010, section 169.86, subdivision 1, is amended to read:

Subdivision 1. **Permit authorities; restrictions.** (a) The commissioner, with respect to highways under the commissioner's jurisdiction, and local authorities, with respect to highways under their jurisdiction, may, in their discretion, upon application in writing and good cause being shown therefor, issue a special permit, in writing, authorizing the applicant to move a vehicle or combination of vehicles of a size or weight of vehicle or load exceeding the maximum specified in this chapter, exceeding the gross weight for which the vehicle is registered under chapter 168, or otherwise not in conformity with the provisions of this chapter, upon any highway under the jurisdiction of the party granting such permit and for the maintenance of which such party is responsible.

(b) Permits relating to over-width, over-length manufactured homes shall not be issued to persons other than manufactured home dealers or manufacturers for movement of new units owned by the manufactured home dealer or manufacturer, until the person has presented a statement from the county auditor and treasurer where the unit is presently located, stating that all personal and real property taxes have been paid. Upon payment of the most recent single year delinquent personal property or current year taxes only, the county auditor or treasurer must issue a taxes paid statement to a manufactured home dealer or a financial institution desiring to relocate a manufactured home that has been repossessed. This statement must be dated within 30 days of the contemplated move. The statement from the county auditor and treasurer where the unit is presently located, stating that all personal and real property taxes have been paid, may be made by telephone. If the statement is obtained by telephone, the permit shall contain the date and time of the telephone call and the names of the persons in the auditor's office and treasurer's office who verified that all personal and real property taxes had been paid.

(c) The commissioner may not grant a permit authorizing the movement, in a three-vehicle combination, of a semitrailer or trailer that exceeds 28-1/2 feet, except that the commissioner (1) may renew a permit that was granted before April 16, 1984, for the movement of a semitrailer or trailer that exceeds the length limitation in section 169.81, subdivision 2, or (2) may grant a permit authorizing the transportation of empty trailers that exceed 28-1/2 feet when using a B-train hitching mechanism as defined in Code of Federal Regulations, title 23, section 658.5, paragraph (o), from a point of manufacture in the state to the state border.

(d) The state as to state trunk highways, a statutory or home rule charter city as to streets in the city, or a town as to roads in the town, may issue permits authorizing the transportation of combinations of vehicles exceeding the limitations in section 169.81, subdivisions 2a and 3, over highways, streets, or roads within its boundaries. Combinations of vehicles authorized by this paragraph may be restricted as to the use of state trunk highways by the commissioner, to the use of streets by the city road authority, and to the use of roads by the town road authority. Nothing in this paragraph or section 169.81, subdivisions 2a and 3, alters or changes the authority vested in local authorities under section 169.04.

EFFECTIVE DATE. This section is effective October 1, 2012, and applies to all registrations that are effective on or after that date and special permits issued on or after that date.

Sec. 27. Minnesota Statutes 2010, section 169.86, subdivision 4, is amended to read:

Subd. 4. **Display and inspection of permit.** ~~Every such~~ A permit shall must be carried in the vehicle or combination of vehicles to which it refers and ~~shall must~~ be open to inspection by any police peace officer or authorized agent of any authority granting such the permit, and. A permit may be carried in electronic format if it is easily read. No person shall violate any of the terms or conditions of ~~such~~ a special permit.

Sec. 28. Minnesota Statutes 2011 Supplement, section 169.86, subdivision 5, is amended to read:

Subd. 5. **Fees; proceeds deposited; appropriation.** The commissioner, with respect to highways under the commissioner's jurisdiction, may charge a fee for each permit issued. All ~~such~~ fees for permits issued by the commissioner of transportation ~~shall must~~ be deposited in the state treasury and credited to the trunk highway fund. Except for those annual permits for which the permit fees are specified elsewhere in this chapter, the fees ~~shall be~~ are:

(a) \$15 for each single trip permit.

(b) \$36 for each job permit. A job permit may be issued for like loads carried on a specific route for a period not to exceed two months. "Like loads" means loads of the same product, weight, and dimension.

(c) \$60 for an annual permit to be issued for a period not to exceed 12 consecutive months. Annual permits may be issued for:

(1) motor vehicles used to alleviate a temporary crisis adversely affecting the safety or well-being of the public;

(2) motor vehicles ~~which that~~ travel on interstate highways and carry loads authorized under subdivision 1a;

(3) motor vehicles operating with gross weights authorized under section 169.826, subdivision 1a;

(4) special pulpwood vehicles described in section 169.863;

(5) motor vehicles bearing snowplow blades not exceeding ten feet in width;

(6) noncommercial transportation of a boat by the owner or user of the boat;

(7) motor vehicles carrying bales of agricultural products authorized under section 169.862; and

(8) special milk-hauling vehicles authorized under section 169.867.

(d) \$120 for an oversize annual permit to be issued for a period not to exceed 12 consecutive months. Annual permits may be issued for:

(1) mobile cranes;

(2) construction equipment, machinery, and supplies;

(3) manufactured homes and manufactured storage buildings;

(4) implements of husbandry;

(5) double-deck buses;

(6) commercial boat hauling and transporting waterfront structures, including, but not limited to, portable boat docks and boat lifts;

(7) three-vehicle combinations consisting of two empty, newly manufactured trailers for cargo, horses, or livestock, not to exceed 28-1/2 feet per trailer; provided, however, the permit allows the vehicles to be moved from a trailer manufacturer to a trailer dealer only while operating on twin-trailer routes designated under section 169.81, subdivision 3, paragraph (c); and

(8) vehicles operating on that portion of marked Trunk Highway 36 described in section 169.81, subdivision 3, paragraph (e).

(e) For vehicles ~~which~~ that have axle weights exceeding the weight limitations of sections 169.823 to 169.829, an additional cost added to the fees listed above. However, this paragraph applies to any vehicle described in section 168.013, subdivision 3, paragraph (b), but only when the vehicle exceeds its gross weight allowance set forth in that paragraph, and then the additional cost is for all weight, including the allowance weight, in excess of the permitted maximum axle weight. The additional cost is equal to the product of the distance traveled times the sum of the overweight axle group cost factors shown in the following chart:

Weight (pounds) exceeding weight limitations on axles	Overweight Axle Group Cost Factors		
	Cost Per Mile For Each Group Of:		
	Two consecutive axles spaced within 8 feet or less	Three consecutive axles spaced within 9 feet or less	Four consecutive axles spaced within 14 feet or less
0-2,000	.12	.05	.04
2,001-4,000	.14	.06	.05
4,001-6,000	.18	.07	.06
6,001-8,000	.21	.09	.07
8,001-10,000	.26	.10	.08
10,001-12,000	.30	.12	.09

12,001-14,000	Not permitted	.14	.11
14,001-16,000	Not permitted	.17	.12
16,001-18,000	Not permitted	.19	.15
18,001-20,000	Not permitted	Not permitted	.16
20,001-22,000	Not permitted	Not permitted	.20

The amounts added are rounded to the nearest cent for each axle or axle group. The additional cost does not apply to paragraph (c), clauses (1) and (3).

For a vehicle found to exceed the appropriate maximum permitted weight, a cost-per-mile fee of 22 cents per ton, or fraction of a ton, over the permitted maximum weight is imposed in addition to the normal permit fee. Miles must be calculated based on the distance already traveled in the state plus the distance from the point of detection to a transportation loading site or unloading site within the state or to the point of exit from the state.

(f) As an alternative to paragraph (e), an annual permit may be issued for overweight, or oversize and overweight, mobile cranes; construction equipment, machinery, and supplies; implements of husbandry; and commercial boat hauling. The fees for the permit are as follows:

Gross Weight (pounds) of Vehicle	Annual Permit Fee
90,000 or less	\$200
90,001 - 100,000	\$300
100,001 - 110,000	\$400
110,001 - 120,000	\$500
120,001 - 130,000	\$600
130,001 - 140,000	\$700
140,001 - 145,000	\$800
<u>145,001 - 155,000</u>	<u>\$900</u>

If the gross weight of the vehicle is more than ~~145,000~~ 155,000 pounds the permit fee is determined under paragraph (e).

(g) For vehicles which exceed the width limitations set forth in section 169.80 by more than 72 inches, an additional cost equal to \$120 added to the amount in paragraph (a) when the permit is issued while seasonal load restrictions pursuant to section 169.87 are in effect.

(h) \$85 for an annual permit to be issued for a period not to exceed 12 months, for refuse-compactor vehicles that carry a gross weight of not more than: 22,000 pounds on a single rear axle; 38,000 pounds on a tandem rear axle; or, subject to section 169.828, subdivision 2, 46,000 pounds on a tridem rear axle. A permit issued for up to 46,000

pounds on a tridem rear axle must limit the gross vehicle weight to not more than 62,000 pounds.

(i) \$300 for a motor vehicle described in section 169.8261. The fee under this paragraph must be deposited as follows:

(1) in fiscal years 2005 through 2010:

(i) the first \$50,000 in each fiscal year must be deposited in the trunk highway fund for costs related to administering the permit program and inspecting and posting bridges;

(ii) all remaining money in each fiscal year must be deposited in a bridge inspection and signing account in the special revenue fund. Money in the account is appropriated to the commissioner for:

(A) inspection of local bridges and identification of local bridges to be posted, including contracting with a consultant for some or all of these functions; and

(B) erection of weight-posting signs on local bridges; and

(2) in fiscal year 2011 and subsequent years must be deposited in the trunk highway fund.

(j) Beginning August 1, 2006, \$200 for an annual permit for a vehicle operating under authority of section 169.824, subdivision 2, paragraph (a), clause (2).

Sec. 29. Minnesota Statutes 2010, section 169.86, is amended by adding a subdivision to read:

Subd. 5a. **Additional tax for excessive gross weight.** When a special permit is issued under this chapter, the commissioner shall collect in addition to the permit fee an additional tax for excessive gross weight, if the weight allowed under the permit is greater than the gross weight for which the vehicle is registered under section 168.013. The tax shall be calculated as the difference between the registration tax paid under section 168.013, subdivision 1e, and the additional tax that would be due under section 168.013, subdivision 1e, at the gross weight allowed under the permit, prorated by the number of days for which the permit is effective. Proceeds of the surcharge must be deposited in the state treasury and credited to the highway user tax distribution fund.

EFFECTIVE DATE. This section is effective with the registration period beginning October 1, 2012, and applies to all registrations that are effective on or after that date and special permits issued on or after that date.

Sec. 30. Minnesota Statutes 2010, section 169.99, subdivision 1b, is amended to read:

Subd. 1b. **Speed.** (a) For a citation issued before August 1, 2014, the uniform traffic ticket must provide a blank or space wherein an officer who issues a citation for a violation of a speed limit of 55 or 60 miles per hour must specify whether the speed was greater than ten miles per hour in excess of the speed limit.

(b) For a citation issued on or after August 1, 2014, the uniform traffic ticket must provide a blank or space wherein an officer who issues a citation for a violation of a speed limit of 55 or 60 miles per hour must specify whether the speed was greater than ten miles per hour in excess of a 55 miles per hour speed limit, or more than five miles per hour in excess of a 60 miles per hour speed limit.

Sec. 31. Minnesota Statutes 2010, section 169A.54, subdivision 1, is amended to read:

Subdivision 1. **Revocation periods for DWI convictions.** Except as provided in subdivision 7, the commissioner shall revoke the driver's license of a person convicted of violating section 169A.20 (driving while impaired) or an ordinance in conformity with it, as follows:

(1) not less than 30 days for an offense under section 169A.20, subdivision 1 (driving while impaired crime), ~~not less than 30 days~~;

(2) not less than 90 days for an offense under section 169A.20, subdivision 2 (refusal to submit to chemical test crime), ~~not less than 90 days~~;

(3) not less than one year for:

(i) an offense occurring within ten years of a qualified prior impaired driving incident, ~~or~~;

(ii) an offense occurring after two qualified prior impaired driving incidents, ~~not less than one year~~; or if

(iii) an offense occurring when a person has an alcohol concentration of twice the legal limit or more as measured at the time or within two hours of the time of the offense and the person has no qualified prior impaired driving incident within ten years;

(4) not less than two years for an offense occurring under clause (3), item (i) or (ii), and where the test results indicate an alcohol concentration of twice the legal limit or more, not less than two years and until the court has certified that treatment or rehabilitation has been successfully completed where prescribed in accordance with section 169A.70 (chemical use assessments);

~~(4)~~ (5) not less than three years for an offense occurring within ten years of the first of two qualified prior impaired driving incidents or occurring after three qualified prior impaired driving incidents, ~~not less than three years, together and with denial under section 171.04, subdivision 1, clause (10), until rehabilitation is established according to standards established by the commissioner; and~~

~~(5)~~ (6) not less than four years for an offense occurring within ten years of the first of three qualified prior impaired driving incidents, ~~not less than four years, together and with denial under section 171.04, subdivision 1, clause (10), until rehabilitation is established according to standards established by the commissioner; or~~

~~(6)~~ (7) not less than six years for an offense occurring after four or more qualified prior impaired driving incidents, ~~not less than six years, together and with denial under section 171.04, subdivision 1, clause (10), until rehabilitation is established according to standards established by the commissioner.~~

EFFECTIVE DATE. This section is effective July 1, 2012.

Sec. 32. Minnesota Statutes 2010, section 169A.54, subdivision 6, is amended to read:

Subd. 6. **Applicability of implied consent revocation.** (a) Any person whose license has been revoked pursuant to section 169A.52 (license revocation for test failure or refusal) as the result of the same incident, and who does not have a qualified prior impaired driving incident, is subject to the mandatory revocation provisions of subdivision 1, clause (1) or (2), in lieu of the mandatory revocation provisions of section 169A.52.

(b) Paragraph (a) does not apply to:

(1) a person whose license has been revoked under subdivision 2 (driving while impaired by person under age 21); or

(2) a person whose driver's license has been revoked for, or who is charged with; (i) an alcohol concentration of twice the legal limit or more as measured at the time or within two hours of the time of the offense; or (ii) a violation of section 169A.20 (driving while impaired) with an aggravating factor described in section 169A.03, subdivision 3, clause ~~(2)~~ or (3).

EFFECTIVE DATE. This section is effective July 1, 2012.

Sec. 33. Minnesota Statutes 2010, section 171.03, is amended to read:

171.03 PERSONS EXEMPT.

The following persons are exempt from license hereunder:

(a) A person in the employ or service of the United States federal government is exempt while driving or operating a motor vehicle owned by or leased to the United States federal government.

(b) A person in the employ or service of the United States federal government is exempt from the requirement to possess a valid class A, class B, or class C commercial driver's license while driving or operating for military purposes a commercial motor vehicle for the United States federal government if the person is:

(1) on active duty in the U. S. Coast Guard;

(2) on active duty in a branch of the U. S. armed forces, which includes the Army, Air Force, Navy, and Marine Corps;

(3) a member of a reserve component of the U. S. armed forces; or

(4) on active duty in the Army National Guard or Air National Guard, which includes (i) a member on full-time National Guard duty, (ii) a member undergoing part-time National Guard training, and (iii) a National Guard military technician, who is a civilian required to wear a military uniform.

The exemption provided under this paragraph does not apply to a U. S. armed forces reserve technician.

(c) Any person while driving or operating any farm tractor or implement of husbandry temporarily on a highway is exempt. For purposes of this section, an all-terrain vehicle, as defined in section 84.92, subdivision 8, an off-highway motorcycle, as defined in section 84.787, subdivision 7, and an off-road vehicle, as defined in section 84.797, subdivision 7, are not implements of husbandry.

(d) A nonresident who is at least 15 years of age and who has in immediate possession a valid driver's license issued to the nonresident in the home state or country may operate a motor vehicle in this state only as a driver.

(e) A nonresident who has in immediate possession a valid commercial driver's license issued by a state or jurisdiction in accordance with the standards of Code of Federal Regulations, title 49, part 383, and who is operating in Minnesota the class of commercial motor vehicle authorized by the issuing state or jurisdiction is exempt.

(f) Any nonresident who is at least 18 years of age, whose home state or country does not require the licensing of drivers may operate a motor vehicle as a driver, but only for a period of not more than 90 days in any calendar year, if the motor vehicle so operated is duly registered for the current calendar year in the home state or country of the nonresident.

(g) Any person who becomes a resident of the state of Minnesota and who has in possession a valid driver's license issued to the person under and pursuant to the laws of some other state or jurisdiction or by military authorities of the United States may operate a motor vehicle as a driver, but only for a period of not more than 60 days after becoming a resident of this state, without being required to have a Minnesota driver's license as provided in this chapter.

(h) Any person who becomes a resident of the state of Minnesota and who has in possession a valid commercial driver's license issued by another state or jurisdiction in accordance with the standards of Code of Federal Regulations, title 49, part 383, is exempt for not more than 30 days after becoming a resident of this state.

(i) Any person operating a snowmobile, as defined in section 84.81, is exempt.

(j) A railroad operator, as defined in section 169.035, subdivision 4, paragraph (a), is exempt while operating a railroad locomotive or train, or on-track equipment while being operated upon rails. This exemption includes operation while crossing a street or highway, whether public or private.

Sec. 34. Minnesota Statutes 2010, section 171.061, subdivision 4, is amended to read:

Subd. 4. **Fee; equipment.** (a) The agent may charge and retain a filing fee of \$5 for each application. Except as provided in paragraph ~~(b)~~ (c), the fee shall cover all expenses involved in receiving, accepting, or forwarding to the department the applications and fees required under sections 171.02, subdivision 3; 171.06, subdivisions 2 and 2a; and 171.07, subdivisions 3 and 3a.

(b) The statutory fees and the filing fees imposed under paragraph (a) may be paid by credit card or debit card. The driver's license agent may collect a convenience fee on the statutory fees and filing fees not greater than the cost of processing a credit card or debit card transaction. The convenience fee must be used to pay the cost of processing credit card and debit card transactions. The commissioner shall adopt rules to administer this paragraph using the exempt procedures of section 14.386, except that section 14.386, paragraph (b), does not apply.

~~(b)~~ (c) The department shall maintain the photo identification equipment for all agents appointed as of January 1, 2000. Upon the retirement, resignation, death, or discontinuance of an existing agent, and if a new agent is appointed in an existing office pursuant to Minnesota Rules, chapter 7404, and notwithstanding the above or Minnesota Rules, part 7404.0400, the department shall provide and maintain photo identification equipment without additional cost to a newly appointed agent in that office if the office was provided the equipment by the department before January 1, 2000. All photo identification equipment must be compatible with standards established by the department.

~~(c)~~ (d) A filing fee retained by the agent employed by a county board must be paid into the county treasury and credited to the general revenue fund of the county. An agent who is not an employee of the county shall retain the filing fee in lieu of county employment or salary and is considered an independent contractor for pension purposes,

coverage under the Minnesota State Retirement System, or membership in the Public Employees Retirement Association.

~~(d)~~ (e) Before the end of the first working day following the final day of the reporting period established by the department, the agent must forward to the department all applications and fees collected during the reporting period except as provided in paragraph ~~(c)~~ (d).

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 35. Minnesota Statutes 2010, section 171.12, subdivision 6, is amended to read:

Subd. 6. **Certain convictions not recorded.** (a) Except as provided in paragraph ~~(b)~~ (c), the department shall not keep on the record of a driver any conviction for a violation of a speed limit of 55 ~~or 60~~ miles per hour unless the violation consisted of a speed greater than ten miles per hour in excess of ~~a 55 miles per hour~~ the speed limit, or more than five miles per hour in excess of a 60 miles per hour speed limit.

(b) Except as provided in paragraph (c), the department shall not keep on the record of a driver any conviction for a violation of a speed limit of 60 miles per hour unless the violation consisted of a speed greater than:

(1) ten miles per hour in excess of the speed limit, for any violation occurring on or after August 1, 2012, and before August 1, 2014; or

(2) five miles per hour in excess of the speed limit, for any violation occurring on or after August 1, 2014.

(c) This subdivision does not apply to (1) a violation that occurs in a commercial motor vehicle, or (2) a violation committed by a holder of a class A, B, or C commercial driver's license, without regard to whether the violation was committed in a commercial motor vehicle or another vehicle.

Sec. 36. Minnesota Statutes 2010, section 171.30, subdivision 1, is amended to read:

Subdivision 1. **Conditions of issuance.** (a) The commissioner may issue a limited license to the driver under the conditions in paragraph (b) in any case where a person's license has been:

(1) suspended under section 171.18, 171.173, or 171.186;

(2) revoked, canceled, or denied under section:

(i) 169.792;

(ii) 169.797;

(iii) 169A.52:

(A) subdivision 3, paragraph (a), clause (1) or (2);

(B) subdivision 3, paragraph (a), clause (4), (5), or (6), if in compliance with section 171.306;

(C) subdivision 4, paragraph (a), clause (1) or (2), if the test results indicate an alcohol concentration of less than twice the legal limit;

(D) subdivision 4, paragraph (a), clause (4), (5), or (6), if in compliance with section 171.306;

(iv) 171.17; or

(v) 171.172; or

(3) revoked, canceled, or denied under section 169A.54:

(i) subdivision 1, clause (1), if the test results indicate an alcohol concentration of less than twice the legal limit;

(ii) subdivision 1, clause (2);

(iii) subdivision 1, clause ~~(4)~~, (5), ~~or~~ (6), or (7), if in compliance with section 171.306; or

(iv) subdivision 2, if the person does not have a qualified prior impaired driving incident as defined in section 169A.03, subdivision 22, on the person's record, and the test results indicate an alcohol concentration of less than twice the legal limit.

(b) The following conditions for a limited license under paragraph (a) include:

(1) if the driver's livelihood or attendance at a chemical dependency treatment or counseling program depends upon the use of the driver's license;

(2) if the use of a driver's license by a homemaker is necessary to prevent the substantial disruption of the education, medical, or nutritional needs of the family of the homemaker; or

(3) if attendance at a postsecondary institution of education by an enrolled student of that institution depends upon the use of the driver's license.

(c) The commissioner in issuing a limited license may impose such conditions and limitations as in the commissioner's judgment are necessary to the interests of the public safety and welfare including reexamination as to the driver's qualifications. The license may be limited to the operation of particular vehicles, to particular classes and times of operation, and to particular conditions of traffic. The commissioner may require that an applicant for a limited license affirmatively demonstrate that use of public transportation or carpooling as an alternative to a limited license would be a significant hardship.

(d) For purposes of this subdivision:

(1) "homemaker" refers to the person primarily performing the domestic tasks in a household of residents consisting of at least the person and the person's dependent child or other dependents; and

(2) "twice the legal limit" means an alcohol concentration of two times the limit specified in section 169A.20, subdivision 1, clause (5).

(e) The limited license issued by the commissioner shall clearly indicate the limitations imposed and the driver operating under the limited license shall have the license in possession at all times when operating as a driver.

(f) In determining whether to issue a limited license, the commissioner shall consider the number and the seriousness of prior convictions and the entire driving record of the driver and shall consider the number of miles driven by the driver annually.

(g) If the person's driver's license or permit to drive has been revoked under section 169.792 or 169.797, the commissioner may only issue a limited license to the person after the person has presented an insurance identification card, policy, or written statement indicating that the driver or owner has insurance coverage satisfactory to the commissioner of public safety. The commissioner of public safety may require the insurance identification card provided to satisfy this subdivision be certified by the insurance company to be noncancelable for a period not to exceed 12 months.

(h) The limited license issued by the commissioner to a person under section 171.186, subdivision 4, must expire 90 days after the date it is issued. The commissioner must not issue a limited license to a person who previously has been issued a limited license under section 171.186, subdivision 4.

(i) The commissioner shall not issue a limited driver's license to any person described in section 171.04, subdivision 1, clause (6), (7), (8), (11), or (14).

(j) The commissioner shall not issue a class A, class B, or class C limited license.

EFFECTIVE DATE. This section is effective July 1, 2012.

Sec. 37. Minnesota Statutes 2010, section 171.306, subdivision 4, is amended to read:

Subd. 4. **Issuance of restricted license.** (a) The commissioner shall issue a class D driver's license, subject to the applicable limitations and restrictions of this section, to a program participant who meets the requirements of this section and the program guidelines. The commissioner shall not issue a license unless the program participant has provided satisfactory proof that:

(1) a certified ignition interlock device has been installed on the participant's motor vehicle at an installation service center designated by the device's manufacturer; and

(2) the participant has insurance coverage on the vehicle equipped with the ignition interlock device. The commissioner shall require the participant to present an insurance identification card, policy, or written statement as proof of insurance coverage, and may require the insurance identification card provided be certified by the insurance company to be noncancelable for a period not to exceed 12 months.

(b) A license issued under authority of this section must contain a restriction prohibiting the program participant from driving, operating, or being in physical control of any motor vehicle not equipped with a functioning ignition interlock device certified by the commissioner. A participant may drive an employer-owned vehicle not equipped with an interlock device while in the normal course and scope of employment duties pursuant to the program guidelines established by the commissioner and with the employer's written consent.

(c) A program participant whose driver's license has been revoked under section 169A.52, subdivision 3, paragraph (a), clause (1), (2), or (3), or subdivision 4, paragraph (a), clause (1), (2), or (3), or section 169A.54, subdivision 1, clause (1), (2), ~~or (3), or (4),~~ may apply for conditional reinstatement of the driver's license, subject to the ignition interlock restriction.

(d) A program participant whose driver's license has been revoked, canceled, or denied under section 169A.52, subdivision 3, paragraph (a), clause (4), (5), or (6), or subdivision 4, paragraph (a), clause (4), (5), or (6), or section 169A.54, subdivision 1, clause ~~(4), (5), or (6),~~ or (7), may apply for a limited license, subject to the ignition

interlock restriction, if the program participant is enrolled in a licensed chemical dependency treatment or rehabilitation program as recommended in a chemical use assessment, and if the participant meets the other applicable requirements of section 171.30. After completing a licensed chemical dependency treatment or rehabilitation program and one year of limited license use without violating the ignition interlock restriction, the conditions of limited license use, or program guidelines, the participant may apply for conditional reinstatement of the driver's license, subject to the ignition interlock restriction. If the program participant's ignition interlock device subsequently registers a positive breath alcohol concentration of 0.02 or higher, the commissioner shall cancel the driver's license, and the program participant may apply for another limited license according to this paragraph.

(e) Notwithstanding any statute or rule to the contrary, the commissioner has authority to determine when a program participant is eligible for restoration of full driving privileges, except that the commissioner shall not reinstate full driving privileges until the program participant has met all applicable prerequisites for reinstatement under section 169A.55 and until the program participant's device has registered no positive breath alcohol concentrations of 0.02 or higher during the preceding 90 days.

EFFECTIVE DATE. This section is effective July 1, 2012.

Sec. 38. Minnesota Statutes 2010, section 174.02, is amended by adding a subdivision to read:

Subd. 9. Pilot transportation project; alternative financing and investment. (a) The commissioner may select one pilot transportation project on the trunk highway system to implement the authority granted in this subdivision. In connection with the pilot project, the commissioner may enter into agreements with governmental or nongovernmental entities, including private and nonprofit entities, to finance or invest in the transportation project, including repayment agreements. An agreement under this subdivision is subject to (1) the availability of state money or other dedicated revenue or resources; and (2) the approval of the commissioner of management and budget.

(b) The commissioner shall submit to the chairs and ranking minority members of the house of representatives and senate committees having jurisdiction over transportation policy and finance a report detailing agreements executed under this subdivision. The listing must identify each agreement, the contracting entities, the contract amounts and duration, and any repayment requirements. The listing may be submitted electronically, and is subject to section 3.195, subdivision 1.

(c) The pilot project is subject to transportation planning, programming, and procurement requirements. Use of this subdivision must not result in the delay of any project programmed in the statewide transportation improvement program.

(d) This subdivision does not preempt any other statute or provide new toll facility authority or design-build contracting authority.

(e) Any repayment agreement under this subdivision must comply with all applicable debt and other financial policies and requirements.

Sec. 39. Minnesota Statutes 2010, section 174.56, is amended to read:

174.56 REPORT ON MAJOR HIGHWAY PROJECTS AND TRUNK HIGHWAY FUND EXPENDITURES.

Subdivision 1. **Report required.** (a) The commissioner of transportation shall submit a report on January 15, 2009, and on January by December 15 of each year thereafter, on (1) the status of major highway projects completed during the previous two years or under construction or planned during the year of the report and for the ensuing 15 years; and (2) trunk highway fund expenditures.

(b) For purposes of this section, a "major highway project" is a highway project that has a total cost for all segments that the commissioner estimates at the time of the report to be at least (1) ~~\$25,000,000~~ \$15,000,000 in the metropolitan highway construction district, or (2) ~~\$10,000,000~~ \$5,000,000 in any nonmetropolitan highway construction district.

Subd. 2. **Report contents; major highway projects.** For each major highway project the report must include:

(1) a description of the project sufficient to specify its scope and location;

(2) a history of the project, including, but not limited to, previous official actions by the department or the appropriate area transportation partnership, or both, the date on which the project was first included in the state transportation improvement plan, the cost of the project at that time, the planning estimate for the project, the engineer's estimate, the award price, the final cost as of six months after substantial completion, including any supplemental agreements and cost overruns or cost savings, the dates of environmental approval, the dates of municipal approval, the date of final geometric layout, and the date of establishment of any construction limits;

(3) the project's priority listing or rank within its construction district, if any, as well as the reasons for that listing or rank, the criteria used in prioritization or rank, any changes in that prioritization or rank since the project was first included in a department work plan, and the reasons for those changes; ~~and~~

(4) past and potential future reasons for delay in letting or completing the project, details of all project cost changes that exceed \$500,000, and specific modifications to the overall program that are made as a result of delays and project cost changes;

(5) two representative trunk highway construction projects, one each from the department's metropolitan district and from greater Minnesota, and for each project report the cost of environmental mitigation and compliance; and

(6) the annual budget for products and services for each Department of Transportation district and office, with comparison to actual spending and including measures of productivity for the previous fiscal year.

Subd. 2a. **Report contents; trunk highway fund expenditures.** The commissioner shall include in the report information on the total expenditures from the trunk highway fund during the previous fiscal year, for each Department of Transportation district, in the following categories: road construction; planning; design and engineering; labor; compliance with environmental regulations; administration; acquisition of right-of-way, including costs for attorney fees and other compensation for property owners; litigation costs, including payment of claims, settlements, and judgments; maintenance; and road operations.

Subd. 3. **Department resources.** The commissioner shall prepare and submit the report with existing department staff and resources.

EFFECTIVE DATE. This section is effective August 1, 2012, except that (1) the changes in subdivision 2, clause (2), apply to projects that are substantially completed on or after July 1, 2012; and (2) subdivision 2, clause (6), is effective beginning with the report due by December 15, 2013.

Sec. 40. Minnesota Statutes 2010, section 221.0314, subdivision 3a, is amended to read:

Subd. 3a. **Waiver for other medical condition.** (a) The commissioner may grant a waiver to a person who is not physically qualified to drive under Code of Federal Regulations, title 49, section 391.41, paragraph (b)(3) to (b)(13). A waiver granted under this subdivision applies to intrastate transportation only.

(b) A person who wishes to obtain a waiver under this subdivision must give the commissioner the following information:

- (1) the applicant's name, address, and telephone number;
- (2) the name, address, and telephone number of an employer coapplicant, if any;
- (3) a description of the applicant's experience in driving the type of vehicle to be operated under the waiver;
- (4) a description of the type of driving to be done under the waiver;
- (5) a description of any modifications to the vehicle the applicant intends to drive under the waiver that are designed to accommodate the applicant's medical condition or disability;
- (6) whether the applicant has been granted another waiver under this subdivision;
- (7) a copy of the applicant's current driver's license;
- (8) a copy of a medical examiner's certificate showing that the applicant is medically unqualified to drive unless a waiver is granted;
- (9) a statement from the applicant's treating physician that includes:
 - (i) the extent to which the physician is familiar with the applicant's medical history;
 - (ii) a description of the applicant's medical condition for which a waiver is necessary;
 - (iii) assurance that the applicant has the ability and willingness to follow any course of treatment prescribed by the physician, including the ability to self-monitor or manage the medical condition; and
 - (iv) the physician's professional opinion that the applicant's condition will not adversely affect the applicant's ability to operate a motor vehicle safely; and
- (10) any other information considered necessary by the commissioner including requiring a physical examination or medical report from a physician who specializes in a particular field of medical practice.

(c) In granting a waiver under this subdivision, the commissioner may impose conditions the commissioner considers necessary to ensure that an applicant is able to operate a motor vehicle safely and that the safety of the general public is protected.

(d) A person who is granted a waiver under this subdivision must:

(1) at intervals specified in the waiver, give the commissioner periodic reports from the person's treating physician, or a medical specialist if the commissioner so requires in the waiver, that contain the information described in paragraph (b), clause (9), together with a description of any episode that involved the person's loss of consciousness or loss of ability to operate a motor vehicle safely; and

(2) immediately report the person's involvement in an accident for which a report is required under section 169.09, subdivision 7.

(e) The commissioner shall deny an application if, during the three years preceding the application:

(1) the applicant's driver's license has been suspended under section 171.18, paragraph (a), clauses (1) to (9), (11), and (12), canceled under section 171.14, or revoked under section 171.17, 171.172, or 171.174; ~~or~~

(2) the applicant has been convicted of a violation under section 171.24; or

~~(2)~~ (3) the applicant has been convicted of a disqualifying offense, as defined in Code of Federal Regulations, title 49, section 383.51, paragraph (b), which is incorporated by reference.

(f) The commissioner may deny an application or may immediately revoke a waiver granted under this subdivision. Notice of the commissioner's reasons for denying an application or for revoking a waiver must be in writing and must be mailed to the applicant's or waiver holder's last known address by certified mail, return receipt requested. A person whose application is denied or whose waiver is revoked is entitled to a hearing under chapter 14.

(g) A waiver granted under this subdivision expires on the date of expiration shown on the medical examiner's certificate described in paragraph (b), clause (8).

Sec. 41. Minnesota Statutes 2010, section 222.50, subdivision 4, is amended to read:

Subd. 4. **Contract.** The commissioner may negotiate and enter into contracts for the purpose of rail service improvement and may incorporate funds available from the federal ~~rail service continuation program~~ government. The participants in these contracts shall be railroads, rail users, and the department, and may be political subdivisions of the state and the federal government. In such contracts, participation by all parties shall be voluntary. The commissioner may provide a portion of the money required to carry out the terms of any such contract by expenditure from the rail service improvement account.

Sec. 42. Minnesota Statutes 2010, section 222.51, is amended to read:

222.51 PARTICIPATION BY POLITICAL SUBDIVISION.

The governing body of any political subdivision of the state may, with the approval of the commissioner, appropriate money for rail service improvement and may participate in the state rail service improvement program and ~~the federal rail service continuation program~~ programs.

Sec. 43. Minnesota Statutes 2010, section 222.53, is amended to read:

222.53 ACCEPTANCE OF FEDERAL MONEY.

The commissioner may exercise those powers necessary for the state to qualify for, accept, and disburse any federal money ~~that may be made available pursuant to the provisions of the federal rail service continuation program~~, including the power to:

(1) establish an adequate plan for rail service in the state as part of an overall planning process for all transportation services in the state, including a suitable process for updating, revising, and amending the plan;

(2) administer and coordinate the plan with other state agencies, and provide for the equitable distribution of resources;

(3) develop, promote, and support safe, adequate, and efficient rail transportation services; employ qualified personnel; maintain adequate programs of investigation, research, promotion, and development, with provisions for public participation; and take all practical steps to improve transportation safety and reduce transportation-related energy utilization and pollution;

(4) adopt and maintain adequate procedures for financial control, accounting, and performance evaluation in order to assure proper use of state and federal money; and

(5) do all things otherwise necessary to maximize federal assistance to the state ~~under the federal rail service continuation program~~.

Sec. 44. Minnesota Statutes 2010, section 574.26, subdivision 1a, is amended to read:

Subd. 1a. **Exemptions: certain manufacturers; commissioner of transportation; road maintenance.** (a) Sections 574.26 to 574.32 do not apply to a manufacturer of public transit buses that manufactures at least 100 public transit buses in a calendar year. For purposes of this section, "public transit bus" means a motor vehicle designed to transport people, with a design capacity for carrying more than 40 passengers, including the driver. The term "public transit bus" does not include a school bus, as defined in section 169.011, subdivision 71.

(b) At the discretion of the commissioner of transportation, sections 574.26 to 574.32 do not apply to any projects of the Department of Transportation (1) costing less than ~~\$75,000~~ the amount in section 471.345, subdivision 3, or (2) involving the permanent or semipermanent installation of heavy machinery, fixtures, or other capital equipment to be used primarily for maintenance or repair.

(c) Sections 574.26 to 574.32 do not apply to contracts for snow removal, ice removal, grading, or other similar routine road maintenance on town roads.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 45. Minnesota Statutes 2010, section 574.26, subdivision 2, is amended to read:

Subd. 2. **Terms.** Except as provided in sections 574.263 and 574.264 or if the amount of the contract is ~~\$75,000 or less~~ than the amount in section 471.345, subdivision 3, a contract with a public body for the doing of any public work is not valid unless the contractor gives (1) a performance bond to the public body with whom the contractor entered into the contract, for the use and benefit of the public body to complete the contract according to its terms, and conditioned on saving the public body harmless from all costs and charges that may accrue on account of completing the specified work, and (2) a payment bond for the use and benefit of all persons furnishing labor and materials engaged under, or to perform the contract, conditioned for the payment, as they become

due, of all just claims for the labor and materials. Reasonable attorneys' fees, costs, and disbursements may be awarded in an action to enforce claims under the act if the action is successfully maintained or successfully appealed.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 46. **VARIANCE; SEAPLANE BASE.**

The commissioner of transportation shall grant a variance for Elbow Lake Municipal-Pride of the Prairie Airport, airport code Y63, to be licensed as a public seaplane base on Flekkefjord Lake. The commissioner shall establish conditions or limitations as may be necessary.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 47. **PAYNESVILLE AIRPORT.**

(a) Notwithstanding any law, rule, or agreement to the contrary, the commissioner of transportation may enter into an agreement with the city of Paynesville to allow funds granted by the state to the city for land acquisition purposes for the marked Trunk Highway 23 bypass project to instead be used by June 30, 2015, as the state's share of funds for airport improvements and other aeronautical purposes at the city's airport.

(b) Funds not spent pursuant to paragraph (a) by June 30, 2015, must be paid to the commissioner of transportation and deposited in the state airports fund.

Sec. 48. **ADDITIONS TO REPORTS ON MAJOR HIGHWAY PROJECTS AND TRUNK HIGHWAY FUND EXPENDITURES.**

For 2013 and 2014 reports required under Minnesota Statutes, section 174.56, the commissioner of transportation shall include the results of evaluations of management systems currently used by the Department of Transportation. The evaluations must specify the extent to which the management of data in these systems is consistent with existing policies and the need for statewide, reliable, and verifiable information. The evaluations must be performed either by the department's office of internal audit or by an independent external auditor. The 2013 report must include the evaluation of construction management systems and the program and project management system. The 2014 report must include the evaluation of pavement management systems and bridge management systems.

Sec. 49. **LEGISLATIVE REPORT ON SPEED VIOLATIONS ON DRIVING RECORD.**

By January 15, 2015, the commissioners of transportation and public safety shall jointly submit a report on recording speed limit violations on a person's driver record to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance. The report must include analysis based on empirical data of impacts on public safety, frequency of speeding, crash rates, travel time efficiency, travel time reliability, and data privacy that are directly or reasonably attributable to the change to Minnesota Statutes, section 171.12, subdivision 6, made by this act.

Sec. 50. **REPEALER.**

(a) Minnesota Statutes 2010, sections 161.08, subdivision 2; 168.012, subdivision 1b; and 222.48, subdivision 3a, are repealed.

(b) Minnesota Statutes 2010, section 169A.54, subdivision 5, is repealed effective July 1, 2012.

Sec. 51. **EFFECTIVE DATE.**

Unless otherwise specified, this article is effective August 1, 2012.

Presented to the governor May 7, 2012

Signed by the governor May 10, 2012, 12:41 p.m.